

35125143
Isidr
1939/1-1948/47
B

Adk 1940

P.D. 159

THE COMMONWEALTH OF MASSACHUSETTS:
↑ DIVISION OF EMPLOYMENT SECURITY

DIRECTOR'S
ANNUAL REPORT
FOR THE YEAR ENDING NOVEMBER 30, 1940 -
June 30, 1949
ROBERT E MARSHALL, DIRECTOR

1941
10.

6-22-43

STATE LIBRARY OF MASSACHUSETTS

JUL 15 1943

STATE HOUSE, BOSTON

Mass. Dir. of employ. security

331.251M3

II61dr

1939/40-1948/49

B

STATE LIBRARY
OF
MASSACHUSETTS

TABLE OF CONTENTS

	<u>Pages</u>
Summary	1
Cooperation in National Defense Program	2-3
Changes in the Law Which Became Effective in 1940	4-5
Organization Chart as Revised by the Director	6
Changes in Executive Personnel	7
Unemployment Trust Fund - Summary of Transactions for the Fiscal Year Ended November 30, 1940	8-12
Placement Activities	13-28
Employment and Wages in Covered Establishments	29-33
Claims for Unemployment Benefits	34-52
Interstate Claims	53-56
Fraud and Error in Benefit Claims, and Recoveries from Claimants	57-58
Punctuality in Payment of Benefits	59-60
Employers Subject to the Massachusetts Unemployment Compensation Law	61-63
Employer Cooperation in the Filing of Necessary Reports	64-65
Contributions to the Fund	66-68
Operating Expenses for the Calendar Year 1940	69-74
Personnel	75-76
Public Information and Training	76-77
Activities of Counsel	78-80
Research and Statistics	80-83
Board of Review	84
Need for New Location	85
List of Rules in Force November 30, 1940	85-87

TABLE OF CONTENTS (cont.)

Pages

TABLES

Table	I - Unemployment Trust Fund - January 1, 1936, to December 31, 1940	11
Table	II - Placements - Years 1940 and 1939 - By Months and By Sex	17
Table	III - Private Placements - Years 1940 and 1939 - By Months and By Sex	18
Table	IV - Public Placements - Years 1940 and 1939 - By Months and By Sex	19
Table	V - Placements - Years 1940 and 1939 - By Offices and By Sex	21
Table	VI - Placements - Year 1940 - By Major Industrial Groups and By Sex	23
Table	VII - Placements - Years 1940 and 1939 - By Major Occupational Groups and By Sex	24
Table	VIII - Placements - Years 1940 and 1939 - By Age Groups and By Sex	25
Table	IX - New Applications for Employment Received - Years 1940 and 1939 - By Offices and By Sex	27
Table	X - New Applications for Employment Received from Veterans and Placements of Veterans - Years 1940 and 1939 - By Offices	28
Table	XI - Wages Paid During the Year 1940 to Covered Employees in Establishments Subject to the Massachusetts Unemployment Compens- ation Law - By Major Industrial Groups - By Quarters	31
Table	XII - Employment During the Year 1940 in Establish- ments Subject to the Massachusetts Un- employment Compensation Law - By Major Industrial Groups - By Months	33
Table	XIII - Initial Claims Received - Years 1940 and 1939 - By Offices	37

TABLE OF CONTENTS (cont.)Pages

Table XIII A - Initial and Continued Claims Received - Year 1940 - By Offices and By Type of Claim	40
Table XIII B - Initial Claims and Continued Claims Re- ceived - Year 1939 - By Offices and By Type of Claim	41
Table XIV - Benefit Payments - Years 1940 and 1939 - By Denominations	43
Table XV - Benefit Payments - Years 1940 and 1939 - Number of Checks, Total Amount, and Average Check Disbursed - By Months	45
Table XVI - Benefit Payments - Years 1940 and 1939 - Number of Checks, Total Amount, and Average Check Disbursed - By Offices	48
Table XVII - Benefit Payments - Year 1940 - By Major Industrial Groups	51
Table XVIII - Benefit Payments on Interstate Claims Filed in Massachusetts - Year 1940 - By States	55
Table XIX - Benefit Payments on Interstate Claims Filed in Other States - Years 1940 and 1939 - By States	56
Table XX - Employers Declared Subject to the Unemploy- ment Compensation Law - Fiscal Year Ending November 30, 1940	61
Table XXI - Contributions for the Year 1940 in Establish- ments Subject to the Massachusetts Unem- ployment Compensation Law by Major Indus- trial Groups	68

CHARTS

Chart I - Organization Chart	6
Chart II - Condition of the Unemployment Compensation Trust Fund, and Transactions Affecting the Fund, January 1, 1938, to December 31, 1940, by Quarters	12
Chart III - Placements - By Months - Years 1939 and 1940	15
Chart IV - Initial Claims Received - By Weeks - Years 1939 and 1940	36
Chart V - Industrial Distribution of Benefit Payments, By Compensable Weeks, for the Period from January 1, 1940, to December 28, 1940	52

S U M M A R Y

Of major importance in connection with the operation of the Division during the year covered by this report were the following:

1. Massachusetts has become one of the leading states in its record of promptness in benefit payments and collection of employer reports and contributions.
2. Placements made by the employment service during the year 1940 increased by 29.5% over those of the preceding year.
3. Partial benefit payments were initiated in October 1940, in accordance with the Amended Law.
4. Benefit payments during the year 1940 increased by 58.5% over the total for the year 1939, as a result of liberalized benefit formulae.
5. From month to month throughout the year, cooperation in the National Defense Program became increasingly important as a function of the Division.
6. For the purpose of conserving and protecting the Unemployment Compensation Fund, systematic procedures have now been established for the detection of fraud and error in benefit claims and for the recovery of overpayments.

All of the foregoing will be discussed in detail later in this report.

COOPERATION IN NATIONAL DEFENSE PROGRAM

Due to its affiliation with the Federal Security Agency, new functions have been assigned to the Division since the inauguration of the National Defense Program.

Clearance between offices within the Commonwealth and between Massachusetts and other states became an important factor in placement activities as the year progressed.

Surveys were made for employers and for the Federal Employment Security Agency for the purpose of ascertaining labor conditions relating to certain occupations.

In June 1940, the Division was designated by the Federal Agency as the District Clearance office for the New England states. This activity consisted principally in obtaining labor for United States Civil Service jobs in armories, arsenals, navy yards, etc., and was carried on until the end of the fiscal year, when the Federal Agency was able to establish its own District Clearance office. Local offices also assisted residents of Massachusetts in making out applications for such Civil Service positions.

Beginning in July 1940, monthly inventories of applicants in selected occupations considered vital to the National Defense program, in which scarcities had developed or were expected to develop, were taken and forwarded to Washington.

A regular monthly analysis of labor market conditions in Massachusetts was initiated in the summer of 1940. This report contains detailed information with respect to the various cities and towns in the Commonwealth as to present labor supply and demand, anticipated shortages,

anticipated surpluses, employer and community efforts to meet demands by training and education, labor disputes, etc. The report is prepared each month and submitted to Washington, and is based upon information obtained through personal visits to representatives of industry and labor and upon reports on local conditions submitted by the managers of the various employment offices.

A regular program of periodic visits to establishments working on defense contracts was also initiated in the fall of 1940, for the purpose of ascertaining detailed information as to plant capacity, prospective plant expansion, and labor needs and shortages. A report on each such visit is forwarded to Washington as received from the local office manager.

Inventories of registrants in certain selected occupations regarded as essential to the Defense Program are being taken in local offices each month and forwarded to Washington.

As the National Defense Program developed during the latter months of 1940, the Division's employment testing and counseling program played an increasing part in the selection of workers who possessed the proper aptitudes for the types of training available in the formal educational system and the "in-service" training programs of private employers. Indications are that as the labor requirements for defense production become more acute and the available supply of skilled and semi-skilled workers is exhausted, this program will play an increasingly important role in the selection of suitable workers for defense industries.

CHANGES IN THE MASSACHUSETTS UNEMPLOYMENT COMPENSATION LAW
WHICH BECAME EFFECTIVE IN 1940

Two major changes in the provisions covering benefit payments, which were enacted by the General Court in 1939, became operative during the year under review.

Beginning April 1, 1940, a uniform benefit year for all claimants became effective, along with a uniform base period and a revised benefit formula. Such new provisions are summarized as follows:

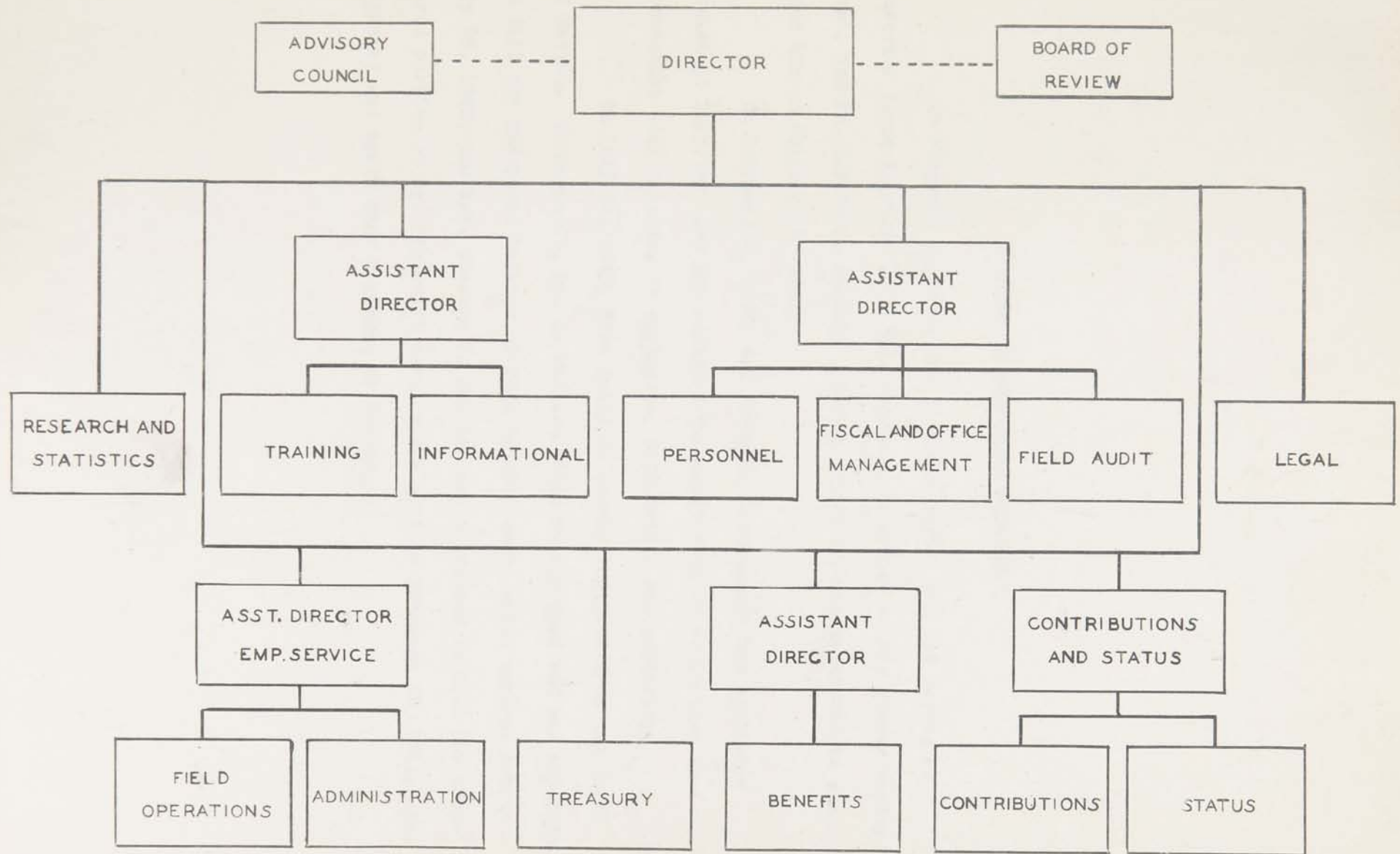
1. For all claimants, the benefit year begins on April 1st and ends on March 31st. (Under the prior law, each claimant had an individual benefit year ending 50 weeks after the completion of his waiting period of two weeks.)
2. For all claimants, the wage credits on which benefits for a given benefit year are based are those earned during the preceding calendar year. (Under the prior law, the base period consisted of the seven quarters next but one preceding the date of filing the claim.)
3. The benefit rate is determined in accordance with a table set forth in the Law and is related to total earnings in the highest quarter of the base year. (Under the prior law, the rate represented one-twenty-sixth of the highest quarter's earnings, raised to the next higher dollar, and the minimum rate was \$5 instead of \$6.)
4. The maximum benefit credit is 30% of the total wages earned in the base year, or 20 weeks' benefits, whichever is the lesser. (Under the prior law, a claimant, to be eligible, was required to have earned wages of at least \$160 in two of the four quarters next but one preceding the filing of his claim or, in the alternative, wages of \$240 in four of the eight quarters next but one preceding the filing of his claim.)

Beginning October 1, 1940, eligible workers in Massachusetts who had earned less than their benefit rate in a given week were entitled to

partial benefits, representing the difference between their earnings (disregarding fractions of a dollar) and their benefit rate. (Under the prior law, individuals who were partially employed at their regular work or who had odd job earnings of more than \$5 in any week were not entitled to benefits.) The new provisions made it possible for thousands of workers, particularly in the shoe manufacturing and "needle trades" industries, to draw benefits during slack seasons.

The total payroll subject to contribution for the year 1940 and subsequent years is limited to the first \$3000 of wages paid to each employee. For prior years, contributions were based on the total payroll, regardless of the amount paid to each individual.

MASSACHUSETTS DIVISION OF UNEMPLOYMENT COMPENSATION



CHANGES IN EXECUTIVE PERSONNEL

On February 3, 1940, Mr. J. Edwin Doyle, who had served as Director since February 17, 1939, resigned to return to his former employment, and Mr. Robert E. Marshall, Deputy Director, was appointed to succeed him on February 5, 1940.

On February 5, 1940, Mr. Dewey G. Archambault was appointed Assistant Director, and was assigned to supervision of activities in connection with training of employees, information and publicity.

On July 30, 1940, Miss Sybil H. Holmes resigned from the Board of Review. On August 7, Mr. G. Wallace Tibbetts resigned and was appointed to fill the unexpired balance of Miss Holmes' term, which expires February 28, 1945; and Mrs. Susanne P. Shallna was appointed to fill the unexpired portion of Mr. Tibbetts' term, which expires February 28, 1941. Mr. Tibbetts was again made Chairman of the Board.

UNEMPLOYMENT TRUST FUND
SUMMARY OF TRANSACTIONS FOR THE FISCAL YEAR ENDED NOVEMBER 30, 1940

As indicated in the following summary of transactions for the year, there was a net increase of \$6,752,047.14 in the Unemployment Trust Fund between December 1, 1939, and November 30, 1940.

Balance of Fund, December 1, 1939	\$72,515,665.67
-----------------------------------	-----------------

Represented by:

Unemployment Trust Fund in the United States Treasury	\$72,126,514.02
---	-----------------

Unemployment Compensation Clearing Account	20,630.65
--	-----------

Benefit Payment Account	368,521.00
	<u>\$72,515,665.67</u>

Receipts during the fiscal year,

Employer Contributions (net)	\$38,248,549.42
------------------------------	-----------------

Employee Contributions (net)	25,034.65
------------------------------	-----------

Interest Penalties (net)	49,222.62
--------------------------	-----------

Interest on Investments	<u>1,838,624.02</u>
-------------------------	---------------------

Total Receipts (net)	\$40,161,430.71
----------------------	-----------------

Benefits Paid (net)	\$31,096,658.00
---------------------	-----------------

Transferred to Railroad Unemployment Insurance Account	<u>2,312,725.57</u> <u>\$33,409,383.57</u>
--	--

Net Increase in Fund During Fiscal Year	<u>\$ 6,752,047.14</u>
---	------------------------

Balance of Fund, November 30, 1940	<u>\$79,267,712.81</u>
------------------------------------	------------------------

Represented by:

Unemployment Trust Fund in the United States Treasury	\$79,067,412.47
---	-----------------

Unemployment Compensation Clearing Account	28,437.34
--	-----------

Benefit Payment Account	171,863.00
	<u>\$79,267,712.81</u>

The total net receipts for account of the Fund from employer and employee contributions and interest penalties, from the inception of the Fund to November 30, 1940, amounted to \$153,133,437.34. There was also credited to the account in the United States Treasury an aggregate amount of \$4,575,138.04, representing interest earnings, bringing the total net receipts to \$157,708,575.38. Benefits paid during the fiscal years ending November 30, 1938, 1939, and 1940 (less returns and refunds), amounted to \$25,318,525.00, \$19,712,954.00, and \$31,096,658.00, respectively. The total amount of benefits paid during the three-year period was, therefore, \$76,128,137.00. In addition, the sum of \$2,312,725.57 was transferred to the Railroad Unemployment Insurance Account, leaving an unexpended balance of \$79,267,712.81 on hand at November 30, 1940.

The amount of \$1,838,624.02 credited to the Fund during the fiscal year as interest earned is in accordance with advices received from the United States Treasury and represents the proportionate share of the earnings of the Unemployment Trust Fund, carried by the Treasury for all state unemployment compensation agencies, which was allocated to the Massachusetts account. Such items are required by the Social Security Act (Section 904 (a)) to be credited to the accounts of the individual state agencies quarterly on March 31, June 30, September 30, and December 31. There was therefore accrued at November 30, 1940, a further amount of interest earnings between October 1, 1940, and that date, in respect of earnings for the quarter ending December 31, 1940, which would not be credited by the Treasury Department until after the close of the fiscal year.

In Table I total collections and income and total benefit payments are summarized for the years 1936 and 1937, and for quarterly periods for the years 1938 through 1940. The balance in the Fund at the end of each period is also shown in the table. (It will be noted that the balance at December 31, 1940, was \$77,701,266.13, or \$1,566,446.68 less than the balance at the end of the fiscal year, as shown above. The difference represents the excess of benefits paid during December, \$1,771,648, over contributions and penalties collected during the month, \$205,201.32.)

The growth of the Fund, by quarters, over the period from January 1, 1938, to December 31, 1940, is shown in graphic form in Chart II, which also compares graphically collections and payments in each of the quarters included in that period.

TABLE I - UNEMPLOYMENT COMPENSATION TRUST FUND
JANUARY 1, 1936, to DECEMBER 31, 1940

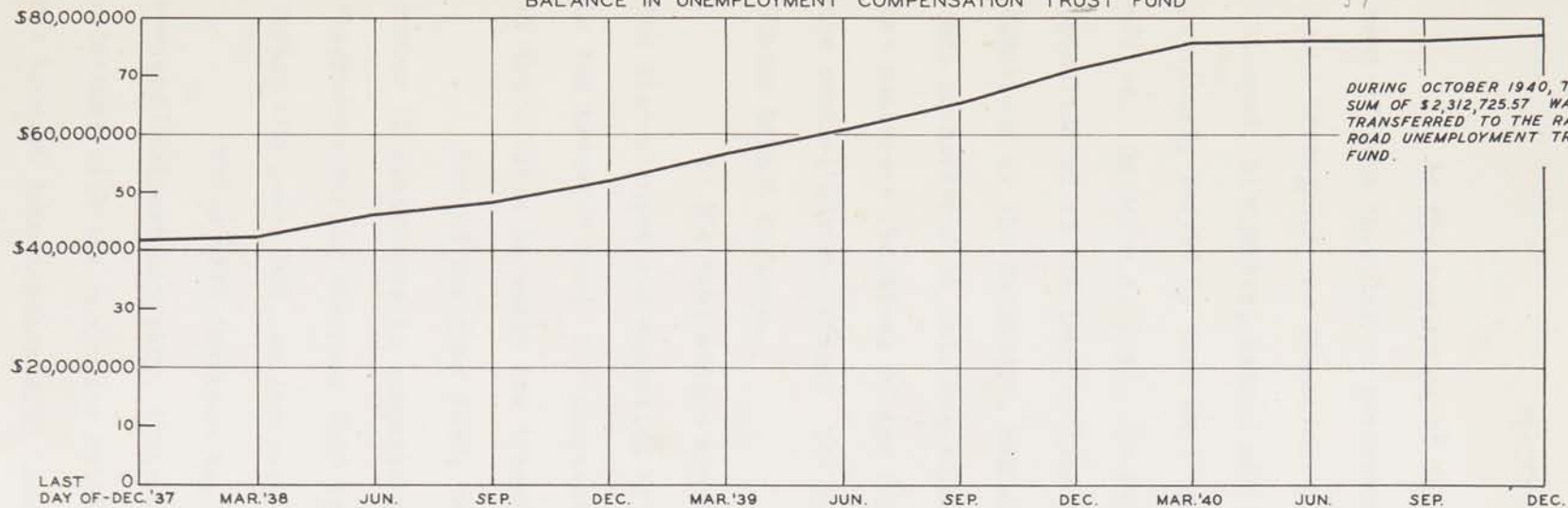
PERIOD	C O L L E C T I O N S				Income Credited by U. S. Treasury	Total Collections and Income	Benefit Payments (Net)	Net Addition to Fund	Balance in Fund	
	Contributions		Interest & Penalties (Net)	Total Collections						
	Employer	Employee**								
Year 1936	\$ 8,208,951.36	\$ ———	\$ 4,794.23	\$ 8,213,745.59	\$ ———	\$ 8,213,745.59	\$ ———	\$ 8,213,745.59	\$ 8,213,745.59	
Year 1937	23,337,398.04	9,645,950.99	40,388.20	33,023,737.23	316,870.66	33,340,607.89	——	33,340,607.89	41,554,353.48	
Quarter Ending March 31, 1938	4,393,457.70	1,755,978.37	5,452.84	6,154,888.91	220,279.64	6,375,168.55	5,345,761.00	1,029,407.55	42,583,761.03	
June 30, 1938	7,776,472.81	2,877,053.15	4,320.24	10,657,846.20	254,714.80	10,912,561.00	7,413,550.00	3,499,011.00	46,082,772.03	
September 30, 1938	8,031,234.84	2,802,064.19	6,037.79	10,839,336.82	266,211.16	11,105,547.98	8,990,601.00	2,114,946.98	48,197,719.01	
December 31, 1938	8,216,913.44	71,592.22	11,520.29	8,300,025.95	282,203.87	8,582,229.82	5,348,853.00	3,233,376.82	51,431,095.83	
March 31, 1939	9,736,582.32	48,904.28	10,226.51	9,795,713.11	299,036.93	10,094,750.04	5,019,880.00	5,074,870.04	56,505,965.87	
June 30, 1939	8,831,108.36	23,050.90	10,473.08	8,864,632.34	335,479.56	9,200,111.90	5,109,400.00	4,090,711.90	60,596,677.77	
September 30, 1939	9,378,804.71	16,604.00	13,417.94	9,408,826.65	368,027.51	9,776,854.16	4,975,351.00	4,801,503.16	65,398,180.93	
December 31, 1939	9,651,004.01	28,576.21	16,867.10	9,696,447.32	393,689.89	10,090,137.21	4,545,977.00	5,544,160.21	70,942,341.14	
March 31, 1940	10,474,707.61	7,280.16	12,734.97	10,494,722.74	428,231.95	10,922,954.69	6,086,585.00	4,836,369.69	75,778,710.83	
June 30, 1940	9,343,430.92	9,149.20	13,154.76	9,365,734.88	462,645.32	9,828,380.20	9,707,197.00	121,183.20	75,899,894.03	
September 30, 1940	9,142,710.57	2,535.61	10,326.30	9,155,572.48	478,361.14	9,633,933.62	9,725,394.00	* 91,460.38	75,808,433.65	
December 31, 1940	9,347,750.99	6,782.40	12,875.05	9,367,408.44	469,385.61	9,836,794.05	5,631,236.00	4,205,558.05		
TOTALS	\$135,870,527.68	\$17,295,521.68	\$172,589.30	\$153,338,638.66	\$4,575,138.04	\$157,913,776.70	\$77,899,785.00	\$80,013,991.70		
Less: Amount Transferred to Railroad Unemployment Insurance Fund in October, 1940								2,312,725.57		
* Decrease								Balance December 31, 1940	\$77,701,266.13	\$77,701,266.13

** Employee contributions began January 1, 1937. They were eliminated from the Law as of July 1, 1938. Amounts collected since that date represent contributions with respect to wages earned prior to July 1, 1938.

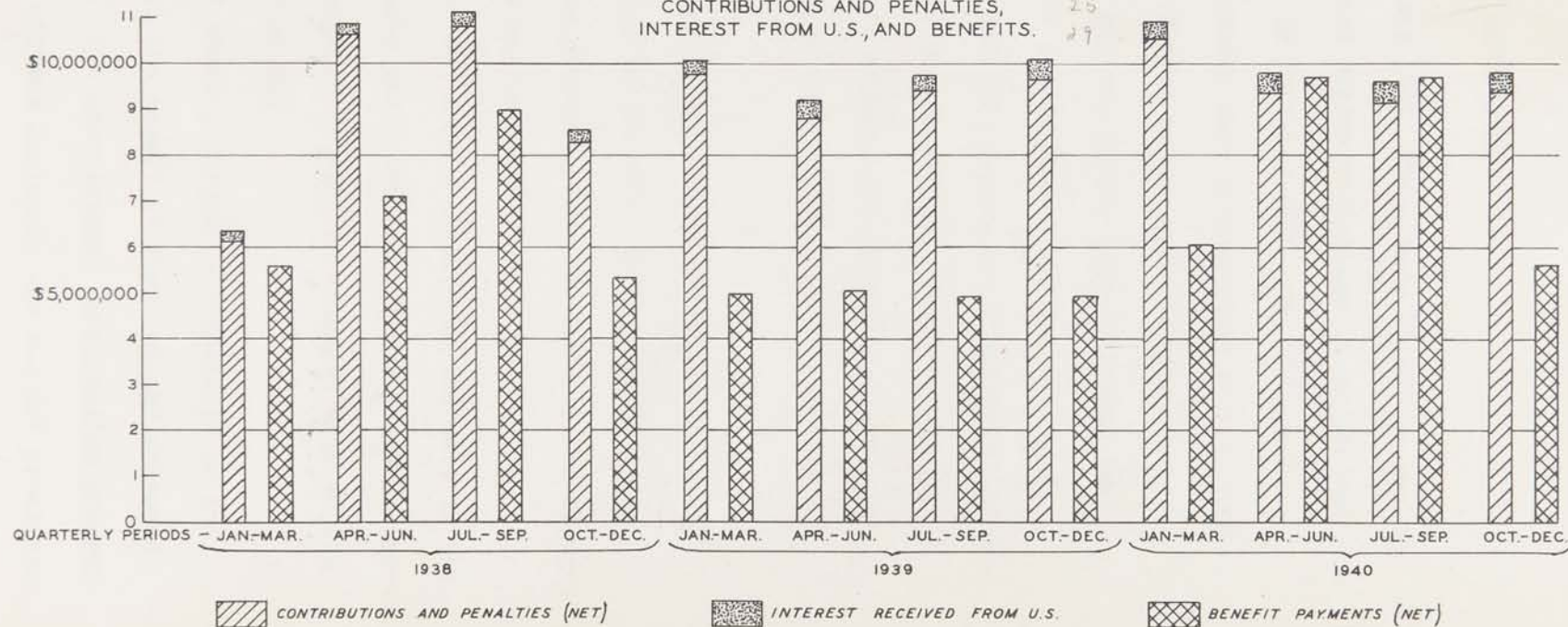
CONDITION OF UNEMPLOYMENT COMPENSATION TRUST FUND, AND TRANSACTIONS AFFECTING THE FUND:

JANUARY 1, 1938, to DECEMBER 31, 1940, BY QUARTERS

BALANCE IN UNEMPLOYMENT COMPENSATION TRUST FUND



CONTRIBUTIONS AND PENALTIES, INTEREST FROM U.S., AND BENEFITS.



PLACEMENT ACTIVITIES

At the beginning of the year 1940, there were 38 public employment offices carrying on placement and claims activities in cities and towns throughout the Commonwealth. In December 1939, the offices in Chicopee, Gloucester, Revere and Plymouth were discontinued and the areas previously served by them were transferred to the nearest neighboring office. On March 4, 1940, the four offices in the city of Boston were consolidated at the new location at 9 Beacon Street and the placement functions of the Cambridge, Malden, Medford, Newton and Somerville offices were transferred to this new enlarged Boston office. Later in the year, the placement functions of the Chelsea office were also transferred to the central Boston office. The offices thus relieved were continued as claims branch offices.

In the tabulations appearing in this report, all placements by the discontinued and curtailed offices in the years 1939 and 1940 prior to the transfer have, for comparative purposes, been included in the figures of the offices to which the transfer was made.

During the year 1940, there was a very gratifying increase in the number of placements in comparison with those made during the previous year. Placements during the year 1940 aggregated 52,849, as compared with 40,804 during the year 1939, an increase of 29.5%.

While this increase is, of course, largely attributable to increased business activity, it is also the result of improved and extended relations with the employing public. The unemployment compensation program has brought into contact with local offices employers who had not previously

placed orders for workers. The special visiting program established in the latter part of the year for employers in so-called "defense industries" has undoubtedly resulted in additional placements through local offices.

However, it is believed that the increase is principally due to the Division's efforts to create and maintain good public relations. The number of visits made to employers by local office personnel during the year 1940 was 36,011, an increase of 16,104 (or 80.9%) over the 19,907 visits made during the year 1939. It has been found that there is direct correlation between the number of field visits during a given period and the number of placements made by the employment service.

In the pages which follow there are submitted certain tabulations, in comparative form, of "complete" placements made by the Division during the years 1940 and 1939. A "complete" placement is defined as one in which the following conditions have been met:

1. A complete registration for employment by an applicant.
2. A bona fide opening from an employer.
3. Free selection of a qualified applicant from the files of the employment office.
4. A referral of the selected applicant to the employer.
5. A verification of the fact that the person referred has been hired.

If one or more of these conditions are not met, the item is classified as a "supplementary" placement. Such placements have been excluded from the tabulations submitted in this report.

In Chart III the trends of private and public placements are shown, by months, for the years 1939 and 1940.

PLACEMENTS

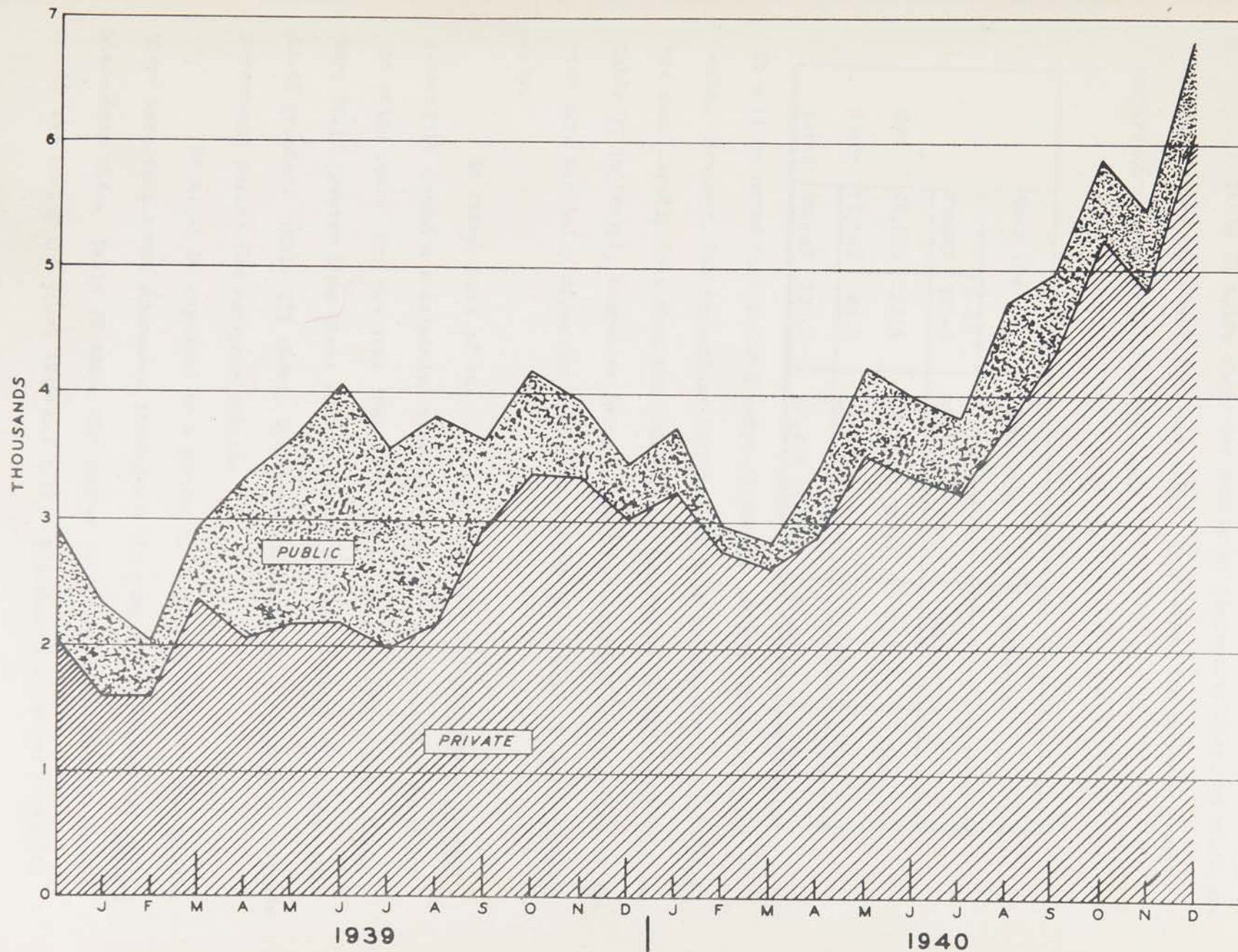


Table II below shows the number of placements made, by month and by sex, during the years 1940 and 1939. Totals for the two years under comparison are summarized as follows:

	Year 1940		Year 1939		Increase	
	Number	% of Total	Number	% of Total	Number	%
Men	28,300	53.5	24,499	60.0	3,801	15.5
Women	24,549	46.5	16,305	40.0	8,244	50.6
Total	52,849	100.0	40,804	100.0	12,045	29.5

It will be noted that in both years placements of men exceeded those of women. However, the percentage increase in male placements in 1940 (15.5) was considerably less than the increase in placements of women (50.6). As Table II indicates, increases in male placements during seven months of the year were partially offset by decreases during the months of March through July.

In every month of the year 1940 for both men and women, private placements showed a substantial increase over the corresponding month of the prior year. For the year 1940 as a whole, private placements of men were 72.1% greater than those of the year 1939, while those of women were 49.4% greater. Table III shows, by months and by sex, the number of private placements during the two-year period.

As might be expected in a period of expanding private employment, there were consistent decreases throughout the year in the number of public placements made. Table IV shows the number of public placements by month and by sex during the years 1940 and 1939. Placements of women in public

TABLE II PLACEMENTS-PUBLIC AND PRIVATE COMBINED - YEARS 1940 AND 1939
BY MONTHS AND BY SEX

MONTH	YEAR 1940			YEAR 1939			INCREASE OR DECREASE DURING 1940					
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	NUMBER			PERCENT		
							TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
TOTALS FOR YEAR	52,849	28,300	24,549	40,804	24,499	16,305	12,045	3,801	8,244	29.5	15.5	50.6
JANUARY	3,724	1,865	1,859	2,344	1,387	957	1,380	478	902	58.9	34.5	94.3
FEBRUARY	2,955	1,511	1,444	2,037	1,139	898	918	372	546	45.1	32.7	60.8
MARCH	2,843	1,231	1,612	2,909	1,518	1,391	66	287	221	2.3	18.9	15.9
APRIL	3,413	1,660	1,753	3,315	2,107	1,208	98	447	545	3.0	21.2	45.1
MAY	4,209	2,234	1,975	3,621	2,478	1,143	588	244	832	16.2	9.8	72.8
JUNE	3,990	2,202	1,788	4,059	2,858	1,201	62	656	587	1.7	23.0	48.9
JULY	3,826	1,919	1,907	3,552	2,364	1,188	274	445	719	7.7	18.8	60.5
AUGUST	4,737	2,705	2,032	3,806	2,592	1,214	931	113	818	24.5	4.4	67.4
SEPTEMBER	4,966	2,656	2,310	3,630	2,082	1,548	1,336	574	762	36.8	27.6	49.2
OCTOBER	5,869	3,354	2,515	4,162	2,293	1,869	1,707	1,061	646	41.0	46.3	34.6
NOVEMBER	5,497	3,361	2,136	3,929	2,184	1,745	1,568	1,177	391	39.9	53.9	22.4
DECEMBER	6,820	3,602	3,218	3,440	1,497	1,943	3,380	2,105	1,275	98.3	140.6	65.6

TABLE III PRIVATE PLACEMENTS - YEARS 1940 AND 1939 BY MONTHS
AND BY SEX

MONTH	YEAR 1940			YEAR 1939			INCREASE OR DECREASE DURING 1940					
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	NUMBER			PERCENT		
							TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
TOTAL FOR YEAR	45,796	21,598	24,198	28,741	12,549	16,192	17,055	9,049	8,006	59.3	72.1	49.4
JANUARY	3,237	1,422	1,815	1,604	658	946	1,633	764	869	101.8	116.1	91.9
FEBRUARY	2,758	1,331	1,427	1,594	711	883	1,164	620	544	73.0	87.2	61.6
MARCH	2,624	1,026	1,598	2,363	983	1,380	261	43	218	11.0	4.4	15.8
APRIL	2,878	1,130	1,748	2,067	866	1,201	811	264	547	39.2	30.5	45.5
MAY	3,524	1,570	1,954	2,164	1,038	1,126	1,360	532	828	62.8	51.3	73.5
JUNE	3,353	1,575	1,778	2,178	983	1,195	1,175	592	583	53.9	60.2	48.8
JULY	3,223	1,328	1,895	1,987	805	1,182	1,236	523	713	62.2	65.0	60.3
AUGUST	3,749	1,727	2,022	2,175	965	1,210	1,574	762	812	72.4	79.0	67.1
SEPTEMBER	4,310	2,023	2,287	2,919	1,379	1,540	1,391	644	747	47.7	46.7	48.5
OCTOBER	5,235	2,737	2,498	3,355	1,499	1,856	1,880	1,238	642	56.0	82.6	34.6
NOVEMBER	4,844	2,761	2,083	3,324	1,582	1,742	1,520	1,179	341	45.7	74.5	19.6
DECEMBER	6,061	2,968	3,093	3,011	1,080	1,931	3,050	1,888	1,162	101.3	174.2	60.2

TABLE IV PUBLIC PLACEMENTS-YEARS 1940 AND 1939- BY MONTHS AND BY SEX

MONTH	YEAR 1940			YEAR 1939			INCREASE OR DECREASE DURING 1940					
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	NUMBER			PERCENT		
							TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
TOTALS FOR YEAR	7,053	6,702	351	12,063	11,950	113	5,010	5,248	238	41.5	43.9	210.6
JANUARY	487	443	44	740	729	11	253	286	33	34.2	39.2	300.0
FEBRUARY	197	180	17	443	420	15	246	248	2	55.5	57.9	13.3
MARCH	219	205	14	546	535	11	327	330	3	59.9	61.7	27.3
APRIL	535	530	5	1,248	1,241	7	713	711	2	57.1	57.3	28.6
MAY	685	664	21	1,457	1,440	17	772	776	4	53.0	53.9	23.5
JUNE	637	627	10	1,881	1,875	6	1,244	1,248	4	66.1	66.6	66.7
JULY	603	591	12	1,565	1,559	6	962	968	6	61.5	62.1	100.0
AUGUST	986	978	10	1,631	1,627	4	643	649	6	39.4	39.9	150.0
SEPTEMBER	656	633	23	711	703	8	55	70	15	7.7	10.0	187.5
OCTOBER	634	617	17	807	794	13	173	177	4	21.4	22.3	30.8
NOVEMBER	653	600	53	605	602	3	48	2	50	7.9	0.3	1,666.7
DECEMBER	759	634	125	429	417	12	330	217	113	76.9	52.0	941.7

employment were relatively insignificant, amounting to only 351 in 1940 and 113 in 1939. A large part of the increase in the year 1940 was accounted for by placements of female workers in relief projects in November and December. The large decreases in male public placements during the months of April through August 1940, when compared with the year 1939, were attributable to the unusually large number of placements made in the earlier year in work on the Quabbin Reservoir, which was completed early in 1940.

A distribution of placements for the two-year period by employment offices through which they were made is presented in comparative form in Table V with separate totals for men and women.

As the table indicates, there were wide variations among those offices which showed increases in placements during the year 1940, and several offices actually made fewer placements in the later year. The decreases are principally accounted for by a drop in public placements, which result from the establishment of certain types of governmental construction projects in the area rather than from promotional efforts on the part of the Division. Many of the offices showing better-than-average increases actually made fewer public placements during the year 1940. Since public work is principally done by men, this situation has not affected placements of women. In all offices, more women were placed in 1940 than in 1939, with an average increase of 50.6% and with several offices showing increases in excess of 100%.

TABLE V PLACEMENTS - YEARS 1940 AND 1939
BY OFFICES AND BY SEX

OFFICE	YEAR 1940						YEAR 1939						INCREASE OR DECREASE DURING 1940					
	TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
TOTAL-ALL OFFICES	52,649	100.0	28,300	100.0	24,549	100.0	40,804	100.0	24,499	100.0	16,305	100.0	12,045	29.5	3,801	15.5	8,244	50.6
DISTRICT 1																		
SPRINGFIELD **	5,423	10.3	3,265	11.5	2,158	8.8	4,791	11.7	3,452	14.1	1,339	8.2	632	13.2	187	5.4	819	61.2
NORTHAMPTON	1,564	2.9	1,009	3.6	555	2.3	1,889	4.6	1,449	5.9	440	2.7	325	17.2	420	30.4	115	26.1
GREENFIELD	1,672	3.2	959	3.4	713	2.9	1,104	2.7	595	2.4	509	3.1	568	51.4	364	61.2	204	40.1
NORTH ADAMS	655	1.2	437	1.5	218	.9	668	1.6	472	1.9	196	1.2	13	1.9	35	7.4	22	11.2
PITTSFIELD	696	1.3	444	1.6	252	1.0	756	1.9	510	2.1	246	1.5	60	7.0	60	12.0	6	2.4
HOLYOKE	1,952	3.7	1,127	4.0	825	3.4	1,112	2.7	537	2.2	575	3.5	840	75.5	590	109.9	250	43.5
DISTRICT 2																		
WORCESTER	2,628	5.0	1,284	4.5	1,344	5.5	1,621	4.0	871	3.6	750	4.6	1,007	62.1	413	47.4	594	79.2
MILFORD	697	1.3	455	1.6	242	1.0	490	1.2	409	1.7	81	.5	207	42.2	46	11.2	161	198.8
WEBSTER	189	.4	110	.4	79	.3	184	.5	162	.7	22	.1	5	2.7	52	32.1	57	259.1
FITCHBURG	1,572	3.0	1,020	3.6	552	2.2	1,167	2.9	676	2.8	491	3.0	405	34.7	344	50.9	61	12.4
ATHOL	803	1.5	516	1.8	287	1.2	310	.8	262	1.1	48	.3	493	159.0	254	96.9	239	497.9
MARLBOROUGH	1,610	3.0	1,393	4.9	217	.9	2,106	5.2	1,957	8.0	149	.9	496	23.6	504	28.0	68	45.6
DISTRICT 3																		
LAWRENCE	1,451	2.7	784	2.8	667	2.7	1,299	3.2	751	3.1	538	3.3	162	12.6	33	4.4	129	24.0
LOWELL	1,008	1.9	487	1.7	521	2.1	825	2.0	468	1.9	357	2.2	183	22.2	19	4.1	164	45.9
HAVERHILL	891	1.7	289	1.0	602	2.4	466	1.1	211	.9	255	1.6	425	91.2	78	37.0	347	136.1
NEWBURYPORT	251	.5	54	.2	197	.8	260	.6	153	.6	107	.7	9	2.5	99	64.7	90	84.1
LYNN	2,890	5.5	1,520	5.4	1,370	5.6	2,275	5.6	1,339	5.5	936	5.8	615	27.0	181	13.5	434	46.4
SALEM **	1,572	3.0	644	2.3	928	3.8	1,771	4.3	887	3.6	884	5.4	109	11.2	243	27.4	44	5.0
WOBURN	648	1.2	444	1.6	204	.8	345	.9	251	1.0	94	.6	303	87.8	193	76.9	110	117.0
DISTRICT 4																		
BOSTON *	8,120	15.4	4,802	17.0	3,318	13.5	6,344	15.5	4,044	16.5	2,300	14.1	1,776	28.0	758	18.7	1,018	44.3
WALTHAM	1,360	2.6	1,125	4.0	235	1.0	1,340	3.3	1,144	4.7	196	1.2	20	1.5	10	1.7	39	19.9
QUINCY	1,376	2.6	681	2.4	695	2.8	828	2.0	348	1.4	480	3.0	548	66.2	333	95.7	215	44.8
DISTRICT 5																		
TAUNTON	1,017	1.9	549	1.9	468	1.9	592	1.4	277	1.1	315	1.9	425	71.8	272	98.2	153	48.6
BROCKTON	2,172	4.1	1,076	3.8	1,096	4.5	1,295	3.2	480	1.9	815	5.0	877	67.7	596	124.2	281	34.5
NORWOOD	833	1.6	327	1.2	506	2.1	696	1.7	267	1.1	429	2.6	137	19.7	60	22.5	77	17.9
FALL RIVER	3,852	7.3	1,130	4.0	2,722	11.1	2,002	4.9	675	2.7	1,327	8.2	1,850	92.4	455	67.4	1,395	105.1
ATTLEBORO	1,290	2.4	590	2.1	700	2.8	942	2.3	497	2.0	445	2.7	348	36.9	93	18.7	255	57.3
NEW BEDFORD **	3,865	7.3	1,289	4.5	2,576	10.5	2,840	7.0	994	4.0	1,846	11.3	1,025	36.1	295	29.7	730	39.5
BARNSTABLE(HYANNIS)	792	1.5	490	1.7	302	1.2	496	1.2	361	1.5	135	.8	296	59.7	129	35.7	167	123.7

* During the year 1940, placements for areas covered by the Cambridge, Malden, Medford, Somerville and Newton offices were made through the Boston office. Beginning July 17, 1940, placements for the Chelsea area were also made through the Boston office. Accordingly, for comparative purposes, placements made by such offices during 1939 have been combined with Boston figures.

** Chicopee, Gloucester, Revere, Plymouth offices discontinued 12-1-39, included in Springfield, Salem, Chelsea, and New Bedford figures, respectively.

In Table VI placements for the year 1940 are distributed by major industrial groups and by sex. It will be noted that 33.1% of all placements were made in the manufacturing industries, and that this was the most important group for male placements. More women were placed in domestic service than in any other major group, accounting for 34.7% of the total. Next to manufacturing, which accounted for 35.2% of the total, placements for men were concentrated largely in the construction industries, where 24.4% of the total male placements were made.

Table VII shows the distribution of placements for the two years under comparison by major occupational groups and by sex. It will be seen that increase in placements in the year 1940 over those of the year 1939 was largely due to an increase of 5,068 in placements of service workers, and an increase of 3,095 in the skilled workers' group. For men, the greatest increase occurred in the skilled workers' group (1,968) while for women, the most important increase was in the service placements (3,356).

An analysis by age groups of placements for the two-year period is presented in Table VIII with separate totals for men and women. It will be observed that, in both years, and for both men and women, more than 60% of the placements were in the age groups below 35 years. It will also be noted that the percentages in these groups for the year 1940 exceeded the corresponding percentages for the year 1939, indicating that younger workers have benefited from the improvement in employment opportunities to a greater extent than have the older workers. In contrast to the general trend, the figures indicate that relatively more women in the oldest group (65 years and over) were placed in employment during the year 1940, although in both years the number was small.

TABLE VI PLACEMENTS - YEAR 1940- BY

MAJOR INDUSTRIAL GROUPS AND BY SEX

MAJOR INDUSTRIAL GROUPS	TOTAL		MEN		WOMEN	
	NUMBER	% OF STATE TOTAL	NUMBER	% OF STATE TOTAL	NUMBER	% OF STATE TOTAL
TOTALS-ALL GROUPS	52,849	100.0	28,300	100.0	24,549	100.0
MANUFACTURING	17,460	33.1	9,965	35.2	7,495	30.5
Textile-mill products	3,574	6.8	2,212	7.8	1,362	5.5
Leather and leather products	2,707	5.1	975	3.4	1,732	7.1
Apparel and other finished products made from fabrics and similar materials	2,153	4.1	167	.6	1,986	8.1
Iron & steel & their products	1,101	2.1	1,039	3.7	62	.2
Chemicals and allied products	1,054	2.0	449	1.6	605	2.5
Machinery (except electrical)	1,053	2.0	1,011	3.6	42	.2
Nonferrous metals and their products	1,020	1.9	685	2.4	335	1.4
Electrical machinery	806	1.5	600	2.1	206	.8
Transportation equipment (except automobiles)	733	1.4	730	2.6	3	* --
Food & kindred products	712	1.3	439	1.6	273	1.1
Printing, publishing, & allied industries	620	1.2	311	1.1	309	1.2
All other manufacturing industries	1,927	3.7	1,347	4.7	580	2.4
WHOLESALE AND RETAIL TRADE	11,890	22.1	5,861	20.7	5,829	23.8
Eating and drinking places	4,315	8.2	1,974	7.0	2,341	9.5
Retail general merchandise	2,483	4.7	615	2.2	1,868	7.6
Retail trade, not elsewhere classified	1,194	2.3	756	2.7	438	1.8
Retail food (includes liquor stores)	1,140	2.2	831	2.9	309	1.3
Retail apparel and accessories	808	1.5	181	.6	627	2.6
Full-service and limited-function wholesalers	613	1.2	521	1.8	92	.4
Retail automotive	492	.9	448	1.6	44	.2
Filling stations, garages, & automobile repair services	398	.7	382	1.4	16	.1
Wholesale distributors, other than full-service and limited-function wholesalers	179	.3	91	.3	88	.3
Other wholesale & retail trade	68	.1	62	.2	6	* --
DOMESTIC SERVICE	9,419	17.8	904	3.2	8,515	34.7
CONSTRUCTION	6,947	13.1	6,915	24.4	32	.1
General contractors, other than building	3,518	6.7	3,517	12.4	1	* --
Construction - special trade contractors	1,826	3.4	1,819	6.4	7	* --
Building construction-general contractors	1,603	3.0	1,579	5.6	24	.1
SERVICE	4,118	7.8	1,903	6.7	2,215	9.0
Hotels, rooming houses, camps, & other lodging places	905	1.7	461	1.7	444	1.8
Business services	899	1.7	345	1.2	554	2.3
Personal services	703	1.3	209	.7	494	2.0
Medical and health services	458	.9	173	.6	285	1.2
Amusements & recreation & related services	416	.8	349	1.2	67	.3
Motion pictures	200	.4	112	.4	88	.3
All others	537	1.0	254	.9	283	1.1
REGULAR GOVERNMENT AGENCIES	838	1.6	728	2.6	110	.5
AGRICULTURE, FORESTRY, AND FISHING	754	1.4	728	2.6	26	.1
TRANSPORTATION, COMMUNICATION & OTHER PUBLIC UTILITIES	594	1.1	542	1.9	52	.2
GOVERNMENT RELIEF PROJECTS	356	1.1	387	1.4	169	.7
FINANCE, INSURANCE & REAL ESTATE	391	.7	295	1.0	96	.4
MINING AND QUARRYING	58	.1	57	.2	1	* --
ESTABLISHMENTS NOT ELSEWHERE CLASSIFIED	24	.1	15	.1	9	* --

* Less than .1%

TABLE VII PLACEMENTS-YEARS 1940 AND 1939

BY MAJOR OCCUPATIONAL GROUPS AND BY SEX

MAJOR OCCUPATIONAL GROUPS	YEAR 1940						YEAR 1939						INCREASE OR DECREASE DURING 1940					
	TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
TOTAL - ALL GROUPS	52,849	100.0	28,300	100.0	24,549	100.0	40,804	100.0	24,499	100.0	16,305	100.0	12,045	29.5	3,801	15.5	8,244	50.6
PROFESSIONAL & KINDRED WORKERS	692	1.3	518	1.8	174	.7	409	1.0	324	1.3	85	.5	283	69.2	194	59.9	89	104.7
Professional workers	178	.4	113	.4	65	.3	176	.4	125	.5	51	.3	2	1.1	12	9.6	14	27.5
Semi-professional workers	78	.1	50	.2	28	.1	34	.1	25	.1	9	.1	44	129.4	25	100.0	19	211.1
Technicians	323	.6	260	.9	63	.2	124	.3	105	.4	19	.1	199	160.5	155	147.6	44	231.6
Administrators and supervisory workers	113	.2	95	.3	18	.1	75	.2	69	.3	6	0	38	50.7	26	37.7	12	200.0
SALESPERSONS	4,657	8.8	1,624	5.7	3,033	12.4	3,071	7.5	1,214	5.0	1,857	11.4	1,586	51.6	410	33.6	1,176	63.3
Inside	3,365	6.4	887	3.1	2,478	10.1	2,180	5.3	658	2.7	1,522	9.3	1,185	54.4	229	34.8	956	62.8
Outside	771	1.4	381	1.3	390	1.6	623	1.5	381	1.6	242	1.5	148	23.8	0	0	148	61.2
Related service	521	1.0	356	1.3	165	.7	268	.7	175	.7	93	.6	253	94.4	181	103.4	72	77.4
CLERICAL WORKERS	3,384	6.4	1,384	4.9	2,000	8.1	1,818	4.5	627	2.6	1,191	7.3	1,566	86.1	757	120.7	809	67.9
Primarily machine	638	1.2	57	.2	581	2.4	315	.8	12	.1	303	1.9	323	102.5	45	375.0	278	91.7
Primarily non-machine	2,746	5.2	1,327	4.7	1,419	5.7	1,503	3.7	615	2.5	888	5.4	1,243	82.7	712	115.6	531	59.8
SERVICE WORKERS	16,572	31.3	4,314	15.2	12,258	50.0	11,504	28.2	2,602	10.6	8,902	54.6	5,068	41.1	1,712	65.8	3,356	37.7
Personal service-domestic	8,877	16.7	453	1.6	9,424	34.3	6,872	16.9	320	1.3	6,552	40.2	2,005	29.2	133	41.6	1,872	28.6
Personal service-institutional	6,817	12.9	2,992	10.6	3,825	15.6	4,070	10.0	1,723	7.0	2,347	14.4	2,747	67.5	1,269	73.7	1,478	63.0
Maintenance	878	1.7	869	3.0	9	.1	562	1.3	559	2.3	3	.0	316	56.2	310	55.5	6	200.0
CRAFTSMEN (SKILLED WORKERS)	9,454	17.9	7,385	26.2	2,069	8.4	6,359	15.6	5,417	22.1	942	5.8	3,095	48.7	1,968	36.3	1,127	119.6
PRODUCTION WORKERS (SEMI-SKILLED)	8,910	16.9	4,870	17.2	4,040	16.4	9,128	22.3	6,347	25.9	2,781	17.1	218	2.4	1,477	23.3	1,259	45.3
Predominantly machine	5,285	10.0	2,407	8.5	2,878	11.7	4,114	10.1	2,274	9.3	1,840	11.3	1,171	28.5	133	5.8	1,038	56.4
Predominantly manual	3,625	6.9	2,463	8.7	1,162	4.7	5,014	12.2	4,073	16.6	941	5.8	1,389	27.7	1,610	39.5	221	23.5
PHYSICAL LABOR WORKERS (UNSKILLED)	9,180	17.4	8,205	29.0	975	4.0	8,513	20.9	7,968	32.5	547	3.3	665	7.8	237	3.0	428	78.2
Heavy	6,642	12.6	6,631	23.4	11	.1	7,044	17.3	7,013	28.6	31	.2	402	5.7	382	5.4	20	64.5
Light	2,538	4.8	1,574	5.6	964	3.9	1,471	3.6	955	3.9	516	3.1	1,067	72.5	619	64.3	448	96.8

TABLE VIII PLACEMENTS - YEARS 1940 AND 1939
BY AGE GROUPS AND BY SEX

AGE GROUPS	YEAR 1940						YEAR 1939						INCREASE DURING 1940					
	TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
TOTALS-ALL GROUPS	52,849	100.0	28,300	100.0	24,549	100.0	49,804	100.0	24,499	100.0	15,305	100.0	12,045	29.5	3,801	15.5	8,244	50.6
24 years & under	21,340	40.4	10,013	35.4	11,327	46.1	15,324	37.5	7,744	31.6	7,580	46.5	6,016	39.3	2,269	29.3	3,747	49.4
25 - 34 years	13,375	25.3	7,929	28.0	5,446	22.2	10,721	26.3	7,211	29.4	3,510	21.5	2,654	24.8	718	10.0	1,936	55.2
35 - 44 years	8,806	16.7	4,852	17.1	3,954	16.1	6,974	17.1	4,500	18.4	2,474	15.2	1,832	26.3	352	7.8	1,480	59.8
45 - 54 years	6,396	12.1	3,609	12.8	2,787	11.4	5,443	13.3	3,409	13.9	2,034	12.5	953	17.5	200	5.9	753	37.0
55 - 64 years	2,589	4.9	1,643	5.8	946	3.8	2,074	5.1	1,412	5.8	662	4.0	515	24.8	231	16.4	284	42.9
65 years & under	343	.6	254	.9	89	.4	268	.7	223	.9	45	.3	75	28.0	31	13.9	44	97.8

New applications for employment received in local offices during the year 1940 are compared with those received in 1939 in Table IX, with separate totals for men and women. It will be noted that there was an increase of 6,769 (or 3.6%) in total new applications received during 1940 over the previous year, and that this is a net figure, representing an increase of 7,026 (or 6.8%) in men's applications less a decrease of 257 (or 3/10%) in applications from women. Most offices received fewer new applications for work, but Boston, Waltham, Quincy, Marlboro, Newburyport, Greenfield, and Woburn showed a considerable increase over the prior year.

As shown in Table X, 5,374 new applications for employment were received from veterans, during the year 1940. This number represented 4.9% of the total number of new applications received from men, which numbered 110,696. The number of women veteran applicants was relatively negligible.

This table also shows that placements of veterans aggregated 1,270, which was 4.5% of the total number of men placed during the year 1940 (28,300). The number of women veterans placed was insignificant and has, therefore, been excluded from the table.

The table also shows the distribution by offices of the new applications received from veterans and the placements of veterans made during the two years under comparison.

**TABLE IX NEW APPLICATIONS FOR EMPLOYMENT RECEIVED - YEARS 1940 AND 1939,
BY OFFICE AND BY SEX**

OFFICE	YEAR 1940						YEAR 1939						INCREASE OR DECREASE DURING 1940					
	TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN		TOTAL		MEN		WOMEN	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
TOTALS-ALL OFFICES	194,235	100.0	110,696	100.0	83,539	100.0	187,466	100.0	103,670	100.0	83,796	100.0	6,769	3.6	7,026	6.8	257	.3
DISTRICT I																		
SPRINGFIELD **	9,614	5.0	5,294	4.8	4,320	5.2	9,921	5.3	5,734	5.5	4,187	5.0	307	3.1	440	7.7	133	3.2
NORTHAMPTON	1,701	.9	994	.9	707	.9	2,301	1.2	1,504	1.5	797	1.0	520	22.6	510	33.0	10	1.3
GREENFIELD	1,964	1.0	1,237	1.1	727	.9	1,593	.8	1,032	1.0	561	.7	371	23.3	205	19.9	166	29.6
NORTH ADAMS	1,823	.9	891	.8	932	1.1	2,604	1.4	1,293	1.2	1,321	1.6	781	30.0	392	30.0	389	20.4
PITTSFIELD	2,600	1.4	1,627	1.5	1,053	1.3	2,614	1.4	1,562	1.5	1,052	1.2	66	2.5	65	4.2	1	0.1
HOLYOKE	2,404	1.2	1,262	1.1	1,142	1.4	3,053	1.6	1,675	1.6	1,378	1.6	649	21.3	413	24.7	236	17.1
DISTRICT II																		
WORCESTER	8,042	4.2	4,425	4.0	3,617	4.3	12,053	6.4	6,932	6.7	5,121	6.1	4,011	33.3	2,507	36.2	1,504	29.4
MILFORD	2,132	1.1	1,187	1.1	945	1.1	2,484	1.3	1,434	1.4	1,050	1.2	352	14.2	247	17.2	105	10.0
WEBSTER	1,636	.8	989	.9	647	.8	2,211	1.2	1,139	1.1	1,072	1.3	575	20.0	150	13.2	425	39.6
FITCHBURG	5,420	2.8	3,025	2.7	2,395	2.9	5,349	2.8	2,812	2.7	2,537	3.0	71	1.3	213	7.6	142	5.0
ATHOL	1,198	.6	710	.6	488	.6	1,332	.7	766	.7	566	.7	134	10.1	50	7.3	78	13.8
MARLBOROUGH	4,098	2.1	2,184	2.0	1,914	2.3	3,144	1.7	2,204	2.1	940	1.1	954	30.3	20	.9	974	103.6
DISTRICT III																		
LAWRENCE	10,863	5.6	6,152	5.6	4,731	5.7	11,319	6.0	4,681	4.5	6,638	7.9	436	3.0	1,471	31.4	1,007	28.7
LOWELL	6,487	3.3	3,627	3.3	2,860	3.4	6,662	3.6	3,104	3.0	3,558	4.3	175	2.0	523	16.8	608	19.6
HAVERHILL	2,734	1.4	1,672	1.5	1,062	1.3	2,572	1.4	1,423	1.4	1,149	1.4	162	6.3	249	17.5	87	7.6
NEWBURYPORT	1,604	.8	939	.8	665	.8	1,171	.6	663	.6	508	.6	433	37.0	276	41.6	157	30.9
LYNN	5,897	3.0	3,368	3.0	2,529	3.0	5,732	3.1	3,039	3.0	2,693	3.2	165	2.9	329	10.8	104	0.1
SALEM **	5,480	2.8	2,874	2.6	2,606	3.1	6,718	3.6	3,396	3.3	3,322	4.0	1,238	18.4	522	15.4	716	21.6
WOBBURN	2,418	1.3	1,467	1.3	951	1.1	1,504	.8	952	.9	552	.7	914	60.8	515	54.1	399	72.3
DISTRICT IV																		
BOSTON *	76,677	39.5	46,756	42.2	29,921	35.8	64,869	34.6	37,733	36.4	27,136	32.4	11,808	18.2	9,023	23.9	2,785	10.3
CHELSEA **																		
WALTHAM	2,698	1.4	1,616	1.5	1,082	1.3	2,380	1.3	1,679	1.6	701	.8	318	13.4	63	3.8	381	54.4
QUINCY	5,731	3.0	3,351	3.0	2,380	2.8	5,186	2.8	2,975	2.9	2,211	2.6	545	10.5	376	12.6	169	7.6
DISTRICT V																		
TAUNTON	1,911	1.0	949	.9	962	1.2	2,292	1.2	1,196	1.2	1,096	1.3	381	16.6	247	20.7	134	12.2
BROCKTON	6,385	3.3	3,590	3.3	2,795	3.3	5,925	3.2	3,352	3.2	2,573	3.1	460	7.8	238	7.1	222	8.6
NORWOOD	2,161	1.1	1,207	1.1	954	1.1	2,214	1.2	1,269	1.2	945	1.1	53	2.4	62	4.9	9	1.0
FALL RIVER	6,619	3.4	2,348	2.1	4,270	5.1	6,479	3.5	2,736	2.6	3,743	4.5	139	2.1	388	14.2	527	14.1
ATTLEBORO	2,780	1.4	1,363	1.2	1,417	1.7	2,804	1.5	1,464	1.4	1,340	1.6	24	.9	101	6.9	77	5.7
NEW BEDFORD **	10,065	5.2	5,072	4.6	4,993	6.0	9,755	5.2	5,135	5.0	4,620	5.5	310	3.2	62	1.2	373	8.1
BARNSTABLE (HYANNIS)	914	.5	520	.5	394	.5	1,225	.6	796	.8	429	.5	311	25.4	270	34.7	35	8.2

* During the year 1940, applications from areas covered by the Cambridge, Malden, Medford, Somerville and Newton offices were made through the Boston office; accordingly, for comparative purposes, placements made by such offices during 1939 have been combined with Boston figures.

** Chicopee, Gloucester, Revere and Plymouth offices discontinued December 1, 1939, included in Springfield, Salem, Chelsea and New Bedford figures respectively.

TABLE X

NEW APPLICATIONS FOR EMPLOYMENT RECEIVED FROM
VETERANS AND PLACEMENTS OF VETERANS-YEARS
1940 AND 1939, BY OFFICES

	NEW APPLICATIONS RECEIVED						PLACEMENTS					
	YEAR 1940		YEAR 1939		INCREASE OR DECREASE DURING 1940		YEAR 1940		YEAR 1939		INCREASE OR DECREASE DURING 1940	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
TOTALS-ALL OFFICES	3,374	100.0	4,643	100.0	731	15.7	1,270	100.0	1,627	100.0	357	21.9
DISTRICT I												
SPRINGFIELD **	214	4.0	240	5.2	26	10.8	147	11.6	191	11.8	44	23.0
NORTHAMPTON	48	.9	69	1.5	21	30.4	48	3.8	111	6.8	63	56.8
GREENFIELD	54	1.0	50	1.1	4	8.0	41	3.5	36	2.2	5	13.9
NORTH ADAMS	39	.7	57	1.2	18	31.6	45	3.5	37	2.3	8	21.6
PITTSFIELD	70	1.3	84	1.8	14	16.7	27	2.1	45	2.8	18	40.0
HOLYOKE	94	1.7	75	1.6	19	25.3	50	3.9	61	3.8	11	18.0
DISTRICT II												
WORCESTER	203	3.8	334	7.2	131	39.2	69	5.4	41	2.5	28	68.3
MILFORD	50	.9	75	1.6	25	33.3	26	2.0	18	1.1	8	44.4
WEBSTER	56	1.0	51	1.1	5	9.8	4	.3	18	1.1	14	77.8
FITCHBURG	194	3.6	141	3.0	53	37.6	45	3.5	23	1.4	22	95.7
ATHOL	29	.5	27	.6	1	3.7	24	1.9	41	2.5	17	41.5
MARLBOROUGH	106	2.0	104	2.2	2	1.9	75	5.9	126	7.8	51	40.5
DISTRICT III												
LAWRENCE	167	3.1	172	3.7	5	2.0	40	3.2	70	4.3	30	42.0
LOWELL	154	2.9	105	2.3	49	46.7	15	1.2	20	1.2	5	25.0
HAVERHILL	47	.9	54	1.2	7	13.0	16	1.3	24	1.5	8	33.3
NEWBURYPORT	36	.7	37	.8	1	2.7	1	.1	12	.7	11	91.7
LYNN	139	2.6	112	2.4	27	24.1	50	3.9	50	3.1	0	0.0
SALEM **	113	2.1	177	3.8	64	36.2	12	.9	51	3.1	39	76.5
WOBBURN	64	1.2	35	.8	29	82.9	18	1.4	29	1.8	11	37.9
DISTRICT IV												
BOSTON*	2,666	49.6	1,726	37.2	940	54.5	243	19.2	293	18.0	50	17.4
WALTHAM	77	1.4	53	1.1	24	45.3	52	4.1	85	5.2	33	38.8
QUINCY	154	2.9	176	3.8	22	12.5	28	2.2	27	1.7	1	3.7
DISTRICT V												
TAUNTON	46	.8	46	1.0	0	0.0	15	1.2	7	.4	8	114.3
BROCKTON	159	3.0	170	3.7	11	6.5	48	3.8	25	1.5	23	92.0
NORWOOD	69	1.3	82	1.8	13	15.0	11	.9	11	.7	0	0.0
FALL RIVER	71	1.3	82	1.8	11	13.4	23	1.8	33	2.0	10	30.3
ATTLEBORO	35	.7	75	1.6	40	53.3	19	1.5	33	2.0	14	42.4
NEW BEDFORD **	193	3.6	183	3.8	10	5.5	51	4.0	86	5.3	35	40.7
BARNSTABLE	28	.5	51	1.1	23	45.1	24	1.9	23	1.4	1	4.3

* During the year 1940, applications from and placements for areas covered by the Cambridge, Malden, Medford, Somerville and Newton offices were made through the Boston office. Accordingly, for comparative purposes, the figures for such offices for the year 1939 have been included in the Boston figures.

** Chicopee, Gloucester, Revere and Plymouth offices discontinued December 1, 1939, included in Springfield, Salem, Chelsea, and New Bedford figures, respectively.

EMPLOYMENT AND WAGES IN COVERED ESTABLISHMENTS

As a basis for statistical reports required by the Bureau of Employment Security of the Social Security Board, each employer subject to the Massachusetts Law is required to supply, in his quarterly contribution report, information as to the number of employees and the amount of total wages for his establishment during the quarter.

The data on wages is reported on a quarterly basis, and the employer reports the total compensation as well as the amount on which contributions are payable.

The number of employees is reported on a monthly basis, the total comprising all individuals on the last weekly payroll in the month, plus individuals on the last semi-monthly payroll, plus individuals employed on a monthly basis.

Wages reported for the year 1940 by employers subject to the Massachusetts Law aggregated \$1,529,646,645 as compared with \$1,404,173,802 for the year 1939, an increase of 8.9%. A comparison of the quarterly totals is as follows:

Quarter	Year 1940	Year 1939	Increase	
			Amount	%
Total for year	\$1,529,646,645	\$1,404,173,802	\$125,472,843	8.9
January-March	354,985,041	321,220,913	33,764,128	10.5
April-June	355,855,705	348,301,673	7,554,032	2.2
July-September	375,259,428	350,379,780	24,879,648	7.1
October-December	443,546,471	384,271,436	59,275,035	15.4

Increases in reported employment by months during the year 1940 over the corresponding months of the year 1939 are shown below:

Month	Year 1940	Year 1939	Increase	
			Number	%
January	1,076,316	974,254	102,062	10.5
February	1,067,688	980,720	86,968	8.9
March	1,070,775	991,046	79,729	8.0
April	1,060,165	1,023,040	37,125	3.6
May	1,070,116	1,025,381	44,735	4.4
June	1,088,493	1,033,158	55,335	5.4
July	1,093,894	995,834	98,060	9.8
August	1,121,106	1,007,441	113,665	11.3
September	1,146,728	1,034,359	112,369	10.9
October	1,172,644	1,048,905	123,739	11.8
November	1,196,276	1,044,477	151,799	14.5
December	1,201,629	1,006,486	195,143	19.4
Average Monthly Employment	1,113,819	1,013,758	100,061	9.9

On the basis of information furnished by the employer, each establishment has been assigned an industrial classification in accordance with the coding manuals issued by the Social Security Board. In Tables XI and XII, the reported data on payrolls and employment for the year 1940 has been analyzed by industries.

It will be observed from Table XI that while many industries showed decreases in payrolls in the second quarter as compared with the first, these decreases were more than offset by increases in the construction and service divisions, and in certain trade groups. Most industries showed moderate increases in the third quarter over the second, the average increase being 5.5%. By the fourth quarter of 1940, both manufacturing and trade groups were reflecting the increased activity resulting from the defense program and the cantonment construction at Fort Devens and Camp Edwards had caused a jump of 100% in payrolls in construction industries. The average

TABLE XI

WAGES PAID DURING THE YEAR 1940 - TO COVERED EMPLOYEES IN ESTABLISHMENTS
SUBJECT TO THE MASSACHUSETTS UNEMPLOYMENT COMPENSATION LAW CLASSIFIED
BY INDUSTRIES BY QUARTERS

INDUSTRY	JANUARY - MARCH	APRIL - JUNE	JULY - SEPTEMBER	OCTOBER - DECEMBER	TOTAL FOR YEAR
TOTALS - ALL INDUSTRIES	\$354,985,041	\$355,855,705	\$ 375,259,428	\$ 443,546,471	\$1,529,646,645
MANUFACTURING	186,884,424	181,114,485	195,933,472	229,919,212	793,851,593
Textile-Mill Products	33,677,381	30,258,010	34,935,680	42,153,606	141,024,677
Leather and Leather Products	19,603,743	16,581,327	18,946,805	19,677,052	74,808,927
Apparel and Other Finished Products Made from Fabrics and Similar Materials	10,486,507	9,498,848	10,620,653	12,114,984	42,720,992
Food and Kindred Products	14,039,213	14,484,453	15,129,515	16,182,890	59,836,071
Iron and Steel and Their Products	15,063,863	14,949,046	16,307,782	21,048,998	67,369,689
Machinery (Except Electrical)	18,484,435	18,671,418	19,155,875	24,518,639	80,830,367
Printing, Publishing, and Allied Industries	11,666,392	11,795,784	11,732,620	12,480,082	47,674,888
Paper and Allied Products	10,573,384	10,846,649	10,737,072	11,958,372	44,115,477
Electrical Machinery	13,382,197	13,674,664	15,645,710	18,221,452	60,924,023
Rubber Products	4,651,066	4,619,334	4,980,852	6,071,568	20,322,820
Chemicals and Allied Products	6,806,788	6,744,328	6,802,211	7,884,837	28,238,164
Furniture and Finished Lumber Products	4,495,963	4,479,511	4,631,791	5,475,248	19,082,513
Nonferrous Metals and Their Products	4,782,782	4,939,822	5,189,944	7,062,089	21,974,637
All Other Manufacturing	19,170,710	19,571,291	21,116,952	25,069,395	84,928,348
WHOLESALE AND RETAIL TRADE	84,925,180	85,870,623	87,084,974	101,185,640	359,066,417
Full-Service and Limited-Function Wholesalers	14,106,442	14,183,014	15,078,275	19,695,005	63,062,736
Wholesale Distributors, Other Than Full-Service and Limited-Function Wholesalers	14,405,160	14,592,947	15,095,676	16,821,598	60,915,381
Retail Food (Includes Liquor Stores)	10,331,250	10,648,208	10,540,304	11,079,285	42,599,047
Retail General Merchandise	9,352,341	9,209,212	9,378,220	11,349,463	39,289,236
Eating and Drinking Places	7,343,250	7,805,505	8,045,902	8,179,788	31,344,445
Retail Trade, Not Elsewhere Classi- fied	9,999,465	9,618,702	9,637,725	11,085,265	40,341,157
Other Wholesale and Retail Trade	7,828,592	7,580,493	7,769,562	8,974,798	32,153,445
Retail Apparel and Accessories	5,292,238	5,320,884	5,069,743	6,375,195	22,058,060
Retail Automotive	4,431,765	4,988,500	4,621,290	5,596,404	19,637,959
Filling Stations, Garages, and Automobile Repair Service	1,864,677	1,923,158	1,848,277	2,028,839	7,664,951
TRANSPORTATION, COMMUNICATION, AND UTILITIES	27,967,561	28,341,088	28,962,747	29,991,997	115,263,393
SERVICE	18,624,529	19,710,378	19,901,080	21,491,822	79,727,809
Personal Services	5,359,585	5,768,103	5,756,198	5,879,207	22,763,093
Hotels, Rooming Houses, Camps, and Other Lodging Places	2,348,073	2,609,343	2,741,310	2,658,776	10,357,502
Other Service	10,916,871	11,332,932	11,403,572	12,953,839	46,607,214
FINANCE, INSURANCE, AND REAL ESTATE	26,740,346	26,882,712	27,404,683	29,035,529	110,063,270
CONSTRUCTION	9,164,323	13,026,122	15,082,561	31,061,223	68,334,229
ALL OTHER	678,678	910,297	889,911	861,048	3,339,934

increase in employment in the fourth quarter over the third was 18.2%.

This increase in business activity over the year 1940 is, of course, reflected also in the monthly employment figures which have been classified industrially in Table XII. Of particular interest are the trends revealed in construction industries, and in the three most important manufacturing groups, i.e., textiles, shoes, and apparel.

TABLE XII
EMPLOYMENT DURING THE YEAR 1940 IN ESTABLISHMENTS SUBJECT TO THE MASSACHUSETTS UNEMPLOYMENT COMPENSATION LAW CLASSIFIED
BY INDUSTRIAL GROUPS BY MONTHS *

INDUSTRIAL GROUPS	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	HIGHEST MONTH	LOWEST MONTH
TOTALS - ALL GROUPS	1,076,316	1,067,688	1,070,775	1,060,165	1,070,116	1,088,493	1,093,894	1,121,106	1,146,728	1,172,644	1,196,276	1,201,629	DEC. 1,201,629	APR. 1,060,165
MANUFACTURING	584,993	580,444	573,398	557,580	554,424	562,709	575,791	596,146	609,940	619,864	628,109	626,124	NOV. 628,109	MAY 554,424
Textile-Mill Products	133,430	126,133	116,085	114,515	115,074	120,895	126,366	128,956	133,686	140,529	144,395	144,830	DEC. 144,830	APR. 114,515
Leather and Leather Products	75,621	77,986	78,252	71,860	67,131	66,580	73,340	76,673	75,783	72,788	71,310	72,522	MAR. 78,252	JUNE 66,580
Apparel and Other Finished Products Made from Fabrics and Similar Materials	49,711	52,412	54,675	49,106	48,882	48,559	45,321	51,504	52,842	52,740	52,414	49,808	MAR. 54,675	JULY 45,321
Food and Kindred Products	39,809	39,228	39,457	39,080	39,647	40,829	42,647	44,413	44,320	42,286	42,311	40,506	AUG. 44,413	APR. 39,080
Iron and Steel and their Products	39,478	39,296	38,927	38,713	38,748	39,485	40,091	41,832	43,264	44,893	46,196	46,424	DEC. 46,424	APR. 38,713
Machinery (Except Electrical)	42,973	43,180	43,117	43,000	42,841	43,134	43,172	43,302	44,429	45,752	47,544	48,450	DEC. 48,450	MAY 42,841
Printing, Publishing, and Allied Industries	28,020	27,876	28,057	27,603	27,615	27,367	27,649	27,450	27,879	27,877	28,075	27,954	NOV. 28,075	JUNE 27,367
Paper and Allied Products	30,602	29,774	29,568	29,507	29,695	29,933	30,033	30,014	30,604	30,899	30,872	30,504	OCT. 30,899	APR. 29,507
Electrical Machinery	33,084	32,913	33,059	33,459	33,685	33,700	34,616	36,522	37,686	39,344	40,543	41,435	DEC. 41,435	FEB. 32,913
Rubber Products	14,732	14,278	14,226	13,964	13,962	14,039	14,578	14,923	15,532	16,221	16,899	17,917	DEC. 17,917	MAY 13,962
Chemicals and Allied Products	15,813	15,788	15,749	15,446	15,308	15,333	14,948	15,079	15,242	15,651	15,524	15,604	JAN. 15,813	JULY 14,948
Furniture and Finished Lumber Products	15,112	15,071	14,978	14,534	14,630	14,609	14,645	14,920	15,506	15,586	15,794	15,590	NOV. 15,794	APR. 14,534
Nonferrous Metals and their Prod- ucts	14,069	13,816	13,993	13,960	14,153	14,368	14,395	15,126	15,842	16,690	16,950	16,675	NOV. 16,950	FEB. 13,816
All other Manufacturing	52,539	52,693	53,255	52,833	53,053	53,878	53,990	55,432	57,325	58,608	59,282	57,905	NOV. 59,282	JAN. 52,539
WHOLESALE AND RETAIL TRADE	261,907	257,897	266,546	264,280	267,919	273,235	270,041	273,519	280,455	279,046	286,557	299,370	DEC. 299,370	FEB. 257,897
Full-Service and Limited-Function Wholesalers	34,282	33,881	34,011	33,109	33,634	34,645	36,024	36,131	36,053	36,249	36,478	36,797	DEC. 36,797	APR. 33,109
Wholesale Distributors, Other than Full-Service and Limited- Function Wholesalers	29,081	28,956	29,186	29,543	29,858	30,120	30,880	30,845	30,736	30,513	30,638	30,657	JULY 30,880	FEB. 28,956
Retail Food (Includes Liquor Stores)	39,499	39,587	40,055	39,413	39,716	40,389	39,174	39,560	39,450	39,385	39,938	40,188	JUNE 40,389	JULY 39,174
Retail General Merchandise	35,523	34,658	37,679	36,191	37,187	38,364	37,238	38,299	41,497	42,030	47,817	57,257	DEC. 57,257	FEB. 34,658
Eating and Drinking Places	35,394	34,956	35,982	37,188	38,769	40,366	40,086	40,236	41,695	39,019	38,633	38,169	SEPT. 41,695	FEB. 34,956
Retail Trade, Not Elsewhere Classi- fied	31,032	30,265	30,128	29,307	28,996	29,180	28,952	29,345	30,253	30,365	30,968	32,183	DEC. 32,183	JULY 28,952
Other Wholesale & Retail Trade	20,857	19,913	19,950	20,185	20,333	20,720	20,572	20,767	20,851	21,114	21,521	22,060	DEC. 22,060	FEB. 19,913
Retail Apparel and Accessories	17,305	16,727	20,041	19,259	19,137	19,236	17,247	18,369	20,391	20,617	20,843	22,204	DEC. 22,204	FEB. 16,727
Retail Automotive	12,583	12,647	13,103	13,640	13,787	13,771	13,432	13,580	13,167	13,260	13,287	13,312	MAY 13,787	JAN. 12,583
Filling Sta., Gar., & Auto Rep. Service	6,351	6,307	6,411	6,445	6,502	6,444	6,436	6,387	6,362	6,494	6,434	6,543	DEC. 6,543	FEB. 6,307
TRANSPORTATION, COMMUNICA- TION AND UTILITIES	69,541	69,960	69,106	68,494	69,640	71,938	69,997	71,083	70,709	71,005	71,283	71,837	JUNE 71,938	APR. 68,494
SERVICE	68,829	68,551	70,459	71,201	74,060	74,886	71,198	71,907	74,528	72,518	71,649	70,513	JUNE 74,886	FEB. 68,551
Personal Services	21,798	21,743	22,617	22,410	23,074	23,717	23,225	23,344	23,090	22,963	22,649	22,525	JUNE 23,717	FEB. 21,743
Hotels, Rooming Houses, Camps, and other Lodging places	12,634	12,846	13,098	13,384	14,768	15,381	13,704	14,119	14,756	13,286	13,106	12,966	JUNE 15,381	JAN. 12,634
Other Service	34,397	33,962	34,744	35,407	36,218	35,788	34,269	34,444	36,682	36,269	35,894	35,022	SEPT. 36,682	FEB. 33,962
FINANCE, INSUR. & REAL EST.	61,311	61,244	61,400	61,185	61,443	61,802	62,754	63,163	63,266	63,107	62,730	62,724	SEPT. 63,266	APR. 61,185
CONSTRUCTION	27,078	26,991	27,123	34,244	39,060	40,456	41,006	42,268	44,521	63,992	73,006	68,370	NOV. 73,006	FEB. 26,991
ALL OTHERS	2,657	2,601	2,743	3,181	3,570	3,467	3,107	3,020	3,309	3,112	2,942	2,691	MAY 3,570	FEB. 2,601

* The number of employees represents the total reported by the respective employers on their contribution reports for the year 1940, comprising all individuals on the last weekly payroll in the month, plus individuals on the last semi-monthly payroll, plus individuals employed on a monthly basis.

** Industries thus marked show other months in which employment was approximately the same.

CLAIMS FOR UNEMPLOYMENT BENEFITS

Claims for unemployment benefits consist of two kinds, "initial" claims, filed at the beginning of a period of unemployment, and "continued" claims taken following the completion of each week of unemployment.

Initial and continued claims taken in the various employment offices throughout the Commonwealth during the years 1940 and 1939 are summarized as follows:

	Year 1940	Year 1939	Increase or *Decrease	
			Number	%
INITIAL CLAIMS:				
Original claims (received from individuals who had never before filed a claim)	117,447	125,717	* 8,270	* 6.6
New benefit year claims (received from individuals who had filed claims in prior benefit years)	281,160	121,169	159,991	132.0
Additional claims (received from individuals who had already filed one or more claims in their current benefit year)	350,017	255,122	94,895	37.2
Interstate claims taken as agent state (forwarded by local offices to the respective liable states)	18,734	14,854	3,880	26.1
TOTAL INITIAL CLAIMS	767,358	516,862	250,496	48.5
CONTINUED CLAIMS	3,884,342	2,423,953	1,460,389	60.3
RATIO CONTINUED CLAIMS TO INITIAL CLAIMS	5.1	4.7	.4	8.5

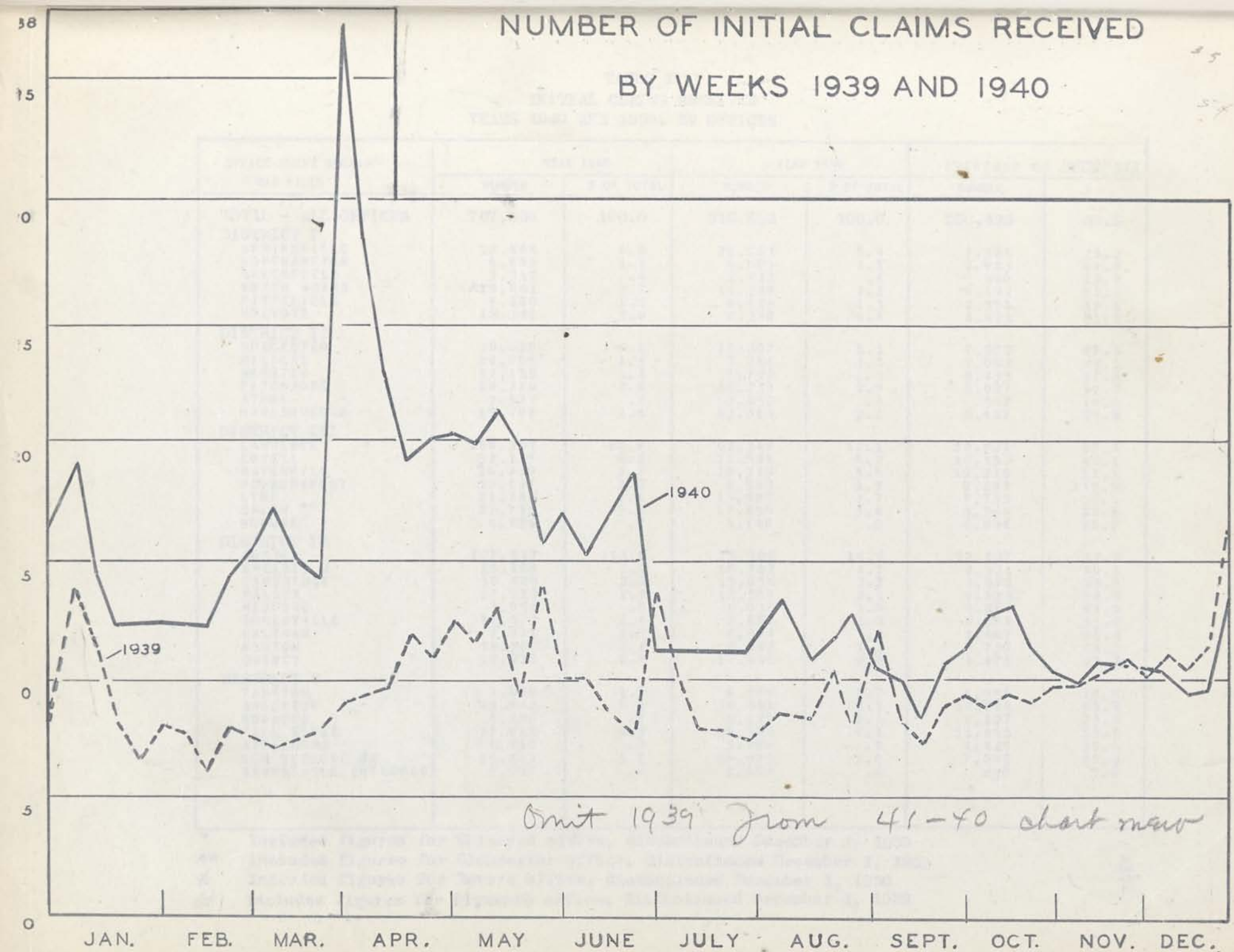
This increase in claims for benefits is principally accounted for as follows:

- a. In the first three months of the year 1940, initial claims taken aggregated 186,657 as compared with 110,166 in the first quarter of 1939, reflecting less favorable employment conditions in Massachusetts in the early part of the year 1940.
- b. Beginning April 1, 1940, a revised benefit formula and a uniform benefit year became effective, making it possible for all unemployed workers to file new claims on the basis of wage credits earned in 1939, regardless of benefits previously drawn. From this date on, differences in the law preclude comparison with the period prior to April 1, 1940. The relative liberality of the new benefit provisions also effected a substantial increase in potential duration, which, for workers with intermittent unemployment, resulted in an increase in the number of initial claims filed for second and subsequent periods of unemployment. Accordingly, notwithstanding increased industrial activity during the latter part of 1940, the total number of claims filed during the last three quarters of that year greatly exceeded those filed during the last three quarters of the prior year.

Chart IV shows the variations in the initial claim load, week by week, during the years 1939 and 1940.

Table XIII shows, by offices, the sources of initial claims taken during the years 1940 and 1939. It will be noted that, with two exceptions, all offices showed an increase in claims taken during the year 1940, and that this increase varied from 13.7% (for the Greenfield area) to 119.9% (for the Newburyport area). The large increase in the Newburyport area is accounted for by the fact that the most important industry in that area is shoe and leather manufacturing, in which there was a considerable amount of total and partial unemployment in 1940.

NUMBER OF INITIAL CLAIMS RECEIVED BY WEEKS 1939 AND 1940



Omit 1939 from 41-40 chart now

TABLE XIII
INITIAL CLAIMS RECEIVED
YEARS 1940 AND 1939, BY OFFICES

OFFICE WHERE CLAIM WAS FILED	YEAR 1940		YEAR 1939		INCREASE OR DECREASE	
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL	NUMBER	%
TOTAL - ALL OFFICES	767,358	100.0	516,862	100.0	250,496	48.5
DISTRICT I						
SPRINGFIELD *	35,446	4.6	28,081	5.4	7,365	26.2
NORTHAMPTON	8,946	1.1	6,003	1.2	2,943	49.0
GREENFIELD	3,312	.4	2,912	.6	400	13.7
NORTH ADAMS	20,441	2.7	11,249	2.2	9,192	81.7
PITTSFIELD	9,080	1.2	6,526	1.3	2,554	39.1
HOLYOKE	15,161	2.0	8,340	1.6	6,821	81.8
DISTRICT II						
WORCESTER	34,039	4.4	26,507	5.1	7,532	28.4
MILFORD	10,099	1.3	7,056	1.4	3,042	43.1
WEBSTER	12,155	1.6	7,722	1.5	4,433	57.4
FITCHBURG	20,240	2.6	15,233	2.9	5,007	32.9
ATHOL	3,977	.5	3,430	.7	547	16.0
MARLBOROUGH	19,707	2.6	13,060	2.5	6,647	50.9
DISTRICT III						
LAWRENCE	114,367	14.9	62,346	12.1	52,021	83.4
LOWELL	32,123	4.2	21,984	4.2	10,139	46.1
HAVERHILL	28,459	3.7	18,344	3.5	10,115	55.1
NEWBURYPORT	15,127	2.0	6,880	1.3	8,247	119.9
LYNN	21,742	2.8	13,987	2.7	7,755	55.4
SALEM **	23,723	3.1	17,459	3.4	6,264	35.9
WOBURN	6,986	.9	4,140	.8	2,846	68.7
DISTRICT IV						
BOSTON	107,347	14.0	75,300	14.6	32,047	42.6
CHELSEA [♂]	15,103	2.0	10,782	2.1	4,321	40.1
CAMBRIDGE	18,408	2.4	13,836	2.7	4,572	33.0
MALDEN	17,122	2.2	12,589	2.4	4,533	36.0
MEDFORD	7,099	.9	5,035	1.0	2,064	41.0
SOMERVILLE	10,572	1.4	7,898	1.5	2,674	33.9
WALTHAM	7,777	1.0	4,690	.9	3,087	65.8
NEWTON	10,380	1.4	6,643	1.3	3,737	56.3
QUINCY	12,920	1.7	10,445	2.0	2,475	23.7
DISTRICT V						
TAUNTON	7,408	1.0	8,764	1.7	1,356	15.5
BROCKTON	43,942	5.7	26,644	5.1	17,298	64.9
NORWOOD	6,250	.8	5,123	1.0	1,127	22.0
FALL RIVER	32,980	4.3	21,165	4.1	11,815	55.8
ATTLEBORO	5,410	.7	3,990	.8	1,420	35.6
NEW BEDFORD ^{♂♂}	26,661	3.5	19,613	3.8	7,048	35.9
BARNSTABLE (HYANNIS)	2,850	.4	3,086	.6	236	7.6

- * Includes figures for Chicopee office, discontinued December 1, 1939
 ** Includes figures for Gloucester office, discontinued December 1, 1939
[♂] Includes figures for Revere office, discontinued December 1, 1939
^{♂♂} Includes figures for Plymouth office, discontinued December 1, 1939

In all tables appearing in this report, activities carried on at itinerant points have been credited to the employment office which acts as the "home office" for the area. The following cities and towns were among those served in this manner during the fiscal year:

<u>Employment Office</u>	<u>Itinerant Point</u>	<u>Employment Office</u>	<u>Itinerant Point</u>
Athol	(Barre (Gilbertville	Norwood	Millis
Attleboro	Mansfield	Pittsfield	Gr. Barrington
Brockton	(Middleborough (Plymouth	Salem	(*Danvers (Gloucester (*Essex (*Manchester (*Rockport
Fitchburg	(Ayer (Gardner (Winchendon (Clinton	Springfield	(Chicopee (Palmer (Westfield (Ware (Warren (W. Warren
Hyannis	(Falmouth (Provincetown	Webster	(Southbridge (Oxford (Douglas (Charlton
Marlborough	(Framingham (Maynard		(N. Brookfield (Spencer (Leicester (Rochdale (Westborough (Farnumsville (Millbury (Holden
Milford	(Medway (Franklin (Uxbridge (Whitinsville	Worcester	
New Bedford	(Nantucket (Oak Bluffs (Vineyard Haven (Wareham	Waltham	(Concord (Lexington
Newburyport	(Amesbury (Ipswich		
North Adams	Adams		
Northampton	(Chester (Huntington		

* Discontinued as of December 10, 1940

Service at itinerant points covers registration for employment, filing of benefit claims, and interviews with claimants regarding their benefit rights. Representatives of the Division are available on scheduled days of each week in the respective cities or towns. Individuals served in this manner are saved the inconvenience and expense of traveling a considerable distance to visit the nearest employment office.

Table XIII A shows, by offices and by type of claim, the total claims taken during the year 1940. A similar distribution of claims taken during the year 1939 is presented in Table XIII B. These tables show, for each office, the number of continued, as well as initial, claims. It will be noted that there was considerable variation among offices in the ratio of continued claims to initial claims, reflecting differences in average length of periods of unemployment, with Lawrence and North Adams, textile centers, showing the lowest averages. This situation is due to the stagger system in operation in textile plants during dull periods under which workers have alternate short periods of employment and unemployment.

TABLE XIII A
INITIAL AND CONTINUED CLAIMS RECEIVED -
YEAR 1940, BY OFFICES AND BY TYPE OF CLAIM

OFFICE WHERE CLAIM WAS FILED	ORIGINAL CLAIMS		NEW BENEFIT YEAR CLAIMS		ADDITIONAL CLAIMS		INTERSTATE CLAIMS		TOTAL INITIAL CLAIMS		CONTINUED CLAIMS		RATIO OF CONTINUED CLAIMS TO INITIAL CLAIMS
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	
TOTALS - ALL OFFICES	117,447	100.0	281,160	100.0	350,017	100.0	19,734	100.0	767,358	100.0	3,884,342	100.0	5.1
DISTRICT I													
SPRINGFIELD *	6,748	5.7	14,753	5.3	12,434	3.5	1,511	8.1	35,446	4.6	208,969	5.4	5.9
NORTHAMPTON	1,614	1.4	3,366	1.2	3,737	1.1	229	1.2	8,946	1.2	50,453	1.3	5.6
GREENFIELD	785	.7	1,402	.5	978	.3	147	.8	3,312	.4	20,118	.5	6.1
NORTH ADAMS	1,416	1.2	7,643	2.7	11,164	3.2	218	1.2	20,441	2.7	71,995	1.9	3.5
PITTSFIELD	1,738	1.5	3,665	1.3	3,308	.9	369	2.0	9,080	1.2	52,324	1.3	5.8
HOLYOKE	2,076	1.8	4,354	1.6	8,434	2.4	297	1.6	15,161	2.0	57,670	1.5	3.8
DISTRICT II													
WORCESTER	5,467	4.7	14,930	5.3	12,919	3.7	723	3.8	34,039	4.4	216,940	5.6	6.4
MILFORD	1,254	1.1	4,719	1.7	3,884	1.1	241	1.3	10,098	1.3	62,852	1.6	6.2
WEBSTER	1,786	1.5	5,125	1.8	4,748	1.3	496	2.6	12,155	1.6	64,164	1.7	5.3
FITCHBURG	3,684	3.1	8,494	3.0	7,486	2.1	576	3.1	20,240	2.6	115,878	3.0	5.7
ATHOL	712	.6	1,540	.6	1,573	.4	152	.8	3,977	.5	25,138	.6	6.3
MARLBOROUGH	2,481	2.1	6,930	2.5	10,029	2.9	267	1.4	19,707	2.6	91,596	2.4	4.6
DISTRICT III													
LAWRENCE	5,075	4.3	26,734	9.5	81,404	23.3	1,154	6.2	114,367	14.9	299,468	7.7	2.6
LOWELL	4,025	3.4	13,485	4.8	13,912	4.0	701	3.7	32,123	4.2	173,445	4.5	5.4
HAVERHILL	2,127	1.8	8,489	3.0	17,096	4.9	747	4.0	28,459	3.7	130,420	3.4	4.6
NEWBURYPORT	1,557	1.3	4,243	1.5	8,785	2.5	542	2.9	15,127	2.0	61,435	1.6	4.1
LYNN	3,124	2.7	8,525	3.2	9,338	2.7	455	2.4	21,742	2.8	121,591	3.1	5.6
SALEM **	3,865	3.3	10,242	3.6	9,248	2.6	368	2.0	23,723	3.1	126,768	3.3	5.3
WOBURN	1,343	1.1	2,859	1.0	2,669	.7	115	.6	6,986	.9	43,561	1.1	6.2
DISTRICT IV													
BOSTON	23,490	20.0	42,920	15.3	37,298	10.7	3,639	19.4	107,347	14.0	654,173	16.8	6.1
CHELSEA †	3,038	2.6	5,752	2.0	6,026	1.7	297	1.5	15,103	2.0	86,608	2.2	5.7
CAMBRIDGE	4,710	4.0	7,026	2.5	6,215	1.8	449	2.4	18,402	2.4	119,898	3.1	6.5
MALDEN	3,950	3.4	6,858	2.4	5,943	1.7	371	2.0	17,122	2.2	102,667	2.6	6.0
MEDFORD	1,715	1.5	2,605	.9	2,630	.8	149	.8	7,099	.9	45,015	1.2	6.3
SOMERVILLE	2,642	2.2	4,052	1.4	3,683	1.1	195	1.0	10,572	1.4	70,293	1.8	6.6
WALTHAM	1,691	1.4	3,079	1.1	2,829	.8	178	1.0	7,777	1.0	30,325	1.0	4.9
NEWTON	2,849	2.4	3,870	1.4	3,381	1.0	260	1.5	10,380	1.3	67,275	1.7	6.5
QUINCY	3,022	2.6	4,968	1.8	4,578	1.3	352	1.8	12,920	1.7	74,274	1.9	5.7
DISTRICT V													
TAUNTON	1,191	1.0	3,045	1.1	2,966	.8	206	1.1	7,403	1.0	34,832	.9	4.7
BROCKTON	4,845	4.1	14,034	5.0	24,545	7.0	518	2.8	43,942	5.7	199,319	5.1	4.5
NORWOOD	1,116	1.0	2,336	.8	2,602	.8	116	.6	6,250	.8	30,692	.8	4.9
FALL RIVER	5,645	4.8	12,072	4.3	13,907	4.0	1,356	7.2	32,930	4.3	152,169	3.9	4.6
ATTLEBORO	1,360	1.2	2,354	.8	1,332	.4	350	1.9	5,410	.7	35,086	.9	6.5
NEW BEDFORD ††	4,456	3.8	12,352	4.7	8,015	2.3	938	4.5	26,661	3.5	162,723	4.2	6.1
BARNSTABLE (HYANNIS)	834	.7	1,039	.4	935	.2	142	.7	2,850	.4	15,308	.4	5.4

* Includes figures for Chicopee office, discontinued December 1, 1939

** Includes figures for Gloucester office, discontinued December 1, 1939

† Includes figures for Revere office, discontinued December 1, 1939

†† Includes figures for Plymouth office, discontinued December 1, 1939

TABLE XIII INITIAL AND CONTINUED CLAIMS RECEIVED-
YEAR 1939, BY OFFICES AND BY TYPE OF CLAIM

OFFICE WHERE CLAIM WAS FILED	ORIGINAL CLAIMS		NEW BENEFIT YEAR CLAIMS		ADDITIONAL CLAIMS		INTERSTATE CLAIMS		TOTAL INITIAL CLAIMS		CONTINUED CLAIMS		RATIO OF CONTINUED CLAIMS TO INITIAL CLAIMS
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	
TOTALS-ALL OFFICES	125,717	100.0	121,169	100.0	255,122	100.0	14,854	100.0	516,862	100.0	2,423,953	100.0	4.7
DISTRICT I													
Springfield*	7,398	5.9	8,054	6.7	11,542	4.5	1,087	7.3	28,081	5.4	149,878	6.2	5.3
Northampton	1,649	1.3	1,451	1.2	2,757	1.1	146	1.0	6,003	1.2	25,616	1.1	4.3
Greenfield	968	0.8	602	0.5	1,208	0.5	134	0.9	2,912	0.6	13,903	0.6	4.8
North Adams	2,119	1.7	3,470	2.9	5,518	2.2	142	1.0	11,249	2.2	36,040	1.5	3.2
Pittsfield	1,878	1.5	1,484	1.2	2,915	1.1	249	1.7	6,526	1.3	35,485	1.5	5.4
Holyoke	1,948	1.5	1,868	1.5	4,380	1.7	144	1.0	8,340	1.6	40,021	1.6	4.8
DISTRICT II													
Worcester	7,683	6.1	6,429	5.3	11,956	4.7	439	3.0	26,507	5.1	149,919	6.2	5.7
Milford	1,405	1.1	2,320	1.9	3,176	1.2	155	1.0	7,056	1.4	35,782	1.5	5.1
Webster	1,545	1.2	2,442	2.0	3,395	1.3	340	2.3	7,722	1.5	38,388	1.6	5.0
Fitchburg	4,015	3.2	3,655	3.0	7,166	2.8	397	2.7	15,233	2.9	72,351	3.0	4.7
Athol	1,092	0.9	646	0.5	1,581	0.6	111	0.7	3,430	0.7	17,598	0.7	5.1
Marlborough	2,540	2.0	2,969	2.5	7,341	2.9	210	1.4	13,060	2.5	46,621	1.9	3.6
DISTRICT III													
Lawrence	5,092	4.1	14,735	12.2	41,014	16.1	1,505	10.1	62,346	12.1	151,006	6.2	2.4
Lowell	3,561	2.8	7,005	5.8	10,843	4.3	575	3.9	21,984	4.2	99,238	4.1	4.5
Haverhill	2,188	1.7	4,505	3.7	10,935	4.3	716	4.8	18,344	3.5	71,186	2.9	3.9
Newburyport	1,316	1.0	1,427	1.2	3,710	1.5	427	2.9	6,880	1.3	28,072	1.2	4.1
Lynn	3,438	2.7	3,544	2.9	6,653	2.6	352	2.4	13,987	2.7	88,931	3.7	6.4
Salem**	5,752	4.6	3,812	3.1	7,633	3.0	262	1.8	17,459	3.4	100,357	4.1	5.7
Woburn	1,199	0.9	953	0.8	1,880	0.7	108	0.7	4,140	0.8	22,347	0.9	5.4
DISTRICT IV													
Boston	25,493	20.3	14,652	12.1	32,707	12.8	2,448	16.5	75,300	14.6	434,062	17.9	5.8
Chelsea ϕ	2,972	2.4	2,178	1.8	5,395	2.1	237	1.6	10,782	2.1	53,107	2.2	4.9
Cambridge	4,782	3.8	2,630	2.2	6,048	2.4	376	2.5	13,836	2.7	78,883	3.2	5.7
Malden	3,722	3.0	2,773	2.3	5,825	2.3	269	1.8	12,589	2.4	69,456	2.9	5.5
Medford	1,675	1.3	1,038	0.9	2,216	0.9	106	0.7	5,035	1.0	28,293	1.2	5.6
Somerville	2,664	2.1	1,496	1.2	3,568	1.4	170	1.1	7,898	1.5	48,271	2.0	6.1
Waltham	1,377	1.1	1,306	1.1	1,899	0.7	108	0.7	4,690	0.9	21,355	0.9	4.6
Newton	2,372	1.9	1,293	1.1	2,814	1.1	164	1.1	6,643	1.3	38,112	1.6	5.7
Quincy	3,395	2.7	1,873	1.5	4,818	1.9	359	2.4	10,445	2.0	49,233	2.0	4.7
DISTRICT V													
Taunton	1,461	1.2	1,611	1.3	4,970	1.9	722	4.9	8,764	1.7	31,543	1.3	3.6
Brockton	4,960	3.9	5,638	4.7	15,755	6.2	291	2.0	26,644	5.1	102,686	4.2	3.9
Norwood	1,470	1.2	1,016	0.8	2,587	1.0	50	0.3	5,123	1.0	22,850	0.9	4.5
Fall River	5,244	4.2	5,091	4.2	10,020	3.9	810	5.4	21,165	4.1	86,846	3.6	4.1
Attleboro	1,594	1.3	805	0.7	1,371	0.5	220	1.5	3,990	0.8	21,531	0.9	5.4
New Bedford $\phi\phi$	4,407	3.5	5,983	4.9	8,291	3.3	932	6.3	19,613	3.8	103,135	4.2	5.2
Barnstable (Hyannis)	1,343	1.1	415	0.3	1,235	0.5	93	0.6	3,086	0.6	11,851	0.5	3.8

* Includes figures for Chicopee office, discontinued December 1, 1939

** Includes figures for Gloucester office, discontinued December 1, 1939

ϕ Includes figures for Revere office, discontinued December 1, 1939

$\phi\phi$ Includes figures for Plymouth office, discontinued December 1, 1939

Table XIV shows the denominational distribution of benefit checks disbursed during the years 1940 and 1939. Checks for partial and part-total unemployment, paid during the last quarter of the year 1940, are shown separately. Only the checks for total unemployment, issued during 1940, are comparable in denomination with those issued in 1939. It should also be borne in mind that on claims filed after April 1, 1940, the minimum rate was \$6 instead of \$5.

It will be noted from the table that there was little change in the proportion of checks for total unemployment in each denomination, and that, except for the maximum and minimum rates, the modal rate in both years was \$8.

It thus appears that the adoption of the new rate schedule as of April 1, 1940, has not resulted in any appreciable change in the proportion of checks paid at each benefit rate. This may be partly accounted for by the fact that, although the rates have been stepped up slightly on the basis of high quarter earnings, the number of quarters available for the selection of such high quarter has been limited to the four quarters of a single calendar year (instead of being made from the earnings of the seven quarters next but one preceding the date of registration as unemployed).

The new rate schedule, which became effective April 1, 1940, is as follows:

Wages Earned in Highest Quarter	Weekly Benefit Rate
Less than \$160.00	\$ 6.00
\$160 - \$179.99	7.00
180 - 199.99	8.00
200 - 219.99	9.00
220 - 239.99	10.00
240 - 259.99	11.00
260 - 279.99	12.00
280 - 299.99	13.00
300 - 319.99	14.00
\$320 and over	15.00

TABLE XIV - BENEFIT PAYMENTS - YEARS 1940 AND 1939 -
BY DENOMINATIONS

	Year 1940				Year 1939	
	Total Unemployment		Partial and Part- Total Unemployment*			
	No. of Checks	% of Total	No. of Checks	% of Total	No. of Checks	% of Total
Total - All Denominations	3,052,507	100.0	79,013	100.0	1,981,843	100.0
\$.1			5,227	6.6		
\$.2			8,247	10.5		
\$.3			9,493	12.0		
\$.4			10,254	13.0		
\$.5	63,940	2.1	9,983	12.6	177,597	9.0
\$.6	430,188	14.1	7,978	10.1	138,881	7.0
\$.7	279,307	9.1	6,645	8.4	179,290	9.1
\$.8	326,159	10.7	5,571	7.1	220,083	11.1
\$.9	287,724	9.4	4,369	5.5	200,610	10.1
\$10	252,262	8.3	3,782	4.8	168,963	8.5
\$11	200,864	6.6	3,175	4.0	136,848	6.9
\$12	172,448	5.6	2,107	2.7	109,123	5.5
\$13	146,000	4.8	1,286	1.6	94,149	4.7
\$14	121,676	4.0	743	.9	81,406	4.1
\$15	641,901	21.0	153	.2	386,432	19.5
Miscellaneous**	130,038	4.3			88,461	4.5

* Payments for partial and part-total unemployment began in October, 1940.

**All adjustment, residue, lump sum payments, and payments to deceased claimants are included in "miscellaneous."

Claimants whose benefit rate is \$8 are found in the group whose earnings in their highest quarter is between \$180 and \$199.99. It should be borne in mind that for many workers annual earnings are considerably less than four times the highest quarter's earnings.

Table XV shows, by months, the number and amount of benefit payments made during the years 1940 and 1939 together with monthly averages.

In comparing disbursements from month to month, it should be borne in mind that with the new uniform benefit year, which begins April 1st, the heaviest disbursements will naturally fall in the earlier months of the benefit year. Accordingly, decreases from month to month after April 1st do not signify reductions in unemployment.

The increase during the latter part of 1940 in the average check paid is principally accounted for by the change in the minimum benefit rate from \$5 to \$6. This change was applicable to claims filed subsequent to March 31, 1940. By the end of July, practically all individuals who had filed claims prior to April 1st had either exhausted their credits or returned to work. Accordingly, the only \$5 checks issued in the later months of the year for total unemployment were in connection with the relatively few irregular claims on which payment had been deferred.

TABLE XV

BENEFIT PAYMENTS - YEARS 1940 and 1939-NUMBER
OF CHECKS, TOTAL AMOUNT, AND AVERAGE CHECK
DISBURSED - BY MONTHS

MONTH	Y E A R 1 9 4 0								Y E A R 1939		
	ALL PAYMENTS		TOTAL UNEMPLOYMENT			PARTIAL AND PART-TOT- -AL UNEMPLOYMENT *			NUMBER OF CHECKS	AGGREGATE AMOUNT	AVER. CHECK
	TOTAL NO. OF CHECKS	AGGREGATE AMOUNT	NUMBER OF CHECKS	AGGREGATE AMOUNT	AVER. CHECK	NUMBER OF CHECKS	AGGREGATE AMOUNT	AVER. CHECK			
TOTAL FOR YEAR	3,131,520	\$ 31,206,667	3,051,663	\$ 30,756,343	\$ 10.08	79,857	\$ 450,324	\$ 5.64	1,981,843	\$ 19,694,108	\$ 9.94
JANUARY	184,649	1,825,331	184,649	1,825,331	9.89				142,931	1,517,810	10.62
FEBRUARY	200,109	1,998,551	200,109	1,998,551	9.99				155,088	1,630,553	10.51
MARCH	226,096	2,267,841	226,096	2,267,841	10.03				180,509	1,886,148	10.45
APRIL	200,882	2,000,884	200,882	2,000,884	9.96				149,908	1,526,507	10.18
MAY	375,096	3,744,430	375,096	3,744,430	9.98				159,670	1,585,717	9.93
JUNE	398,694	3,980,878	398,694	3,980,878	9.98				205,377	2,009,226	9.78
JULY	371,038	3,721,843	371,038	3,721,843	10.03				145,293	1,434,129	9.87
AUGUST	347,619	3,530,718	347,619	3,530,718	10.16				206,239	1,930,025	9.36
SEPTEMBER	244,665	2,491,069	244,665	2,491,069	10.18				166,485	1,620,587	9.73
OCTOBER	199,903	1,976,416	183,309	1,881,075	10.26	16,594	95,341	5.75	144,383	1,360,319	9.42
NOVEMBER	198,109	1,893,514	166,172	1,711,683	10.30	31,937	181,831	5.70	151,734	1,473,379	9.71
DECEMBER	184,660	1,775,192	153,334	1,602,040	10.45	31,326	173,152	5.53	174,226	1,719,708	9.87

* Payments for partial and part-total unemployment began in October, 1940

Approximately 90% of the individuals filing claims during the year 1940 were determined to be eligible for benefits. Most of the 10% determined to be ineligible had worked for subject employers in Massachusetts at some time prior to the filing of the claim, but either had not earned enough wages or, in the case of those filing claims prior to April 1, 1940, had not worked in a sufficient number of quarters to meet the minimum eligibility requirements set forth in the Law.

Prior to April 1, 1940, a claimant was not eligible for benefits unless he had earned in covered employment in Massachusetts \$160 in two of the four quarters next but one preceding the filing of his claim, or, in the alternative, had earned \$240 in four of the eight quarters next but one preceding the filing of his claim.

Effective April 1, 1940, the eligibility provisions were changed to require minimum earnings of twenty-five times the benefit rate. Statistics show that while the net effect of this change was to diminish considerably the percentage of claimants determined ineligible because of "insufficient wages," many individuals who could have met the previous eligibility requirements fail to meet the new ones, while on the other hand, many who could not have met the old requirements are eligible for benefits under the new Law.

Table XVI shows, by employment office areas, the number and aggregate value of benefit checks disbursed during the years 1940 and 1939 and the averages for each year. Increases and decreases in these items are also shown, which are summarized as follows:

	Year 1940	Year 1939	Increase	%
Total Number of Checks Issued	3,131,520	1,981,843	1,149,677	58.0
Total Value of Checks Issued	\$31,206,667	\$19,694,108	\$11,512,559	58.5
Average Check for Total Un- employment	\$ 10.08	9.94	.14	1.4
Average Check for Partial Unemployment	\$ 5.64	--	--	--

It will be noted that total payments increased in every area throughout the Commonwealth, and that this increase varied from 5.2% in Athol to 170.3% in New Bedford. In general, it appears that areas in which textiles and shoes predominate did not begin to participate in the increased industrial activity until late in the year 1940, while in those areas in which metal manufacturing and other establishments more closely allied with "defense production" are located, the improvement in employment was reflected much earlier in the year.

The increase in the average weekly benefit amount is principally accounted for by the change in the minimum rate from \$5 to \$6 on claims filed after April 1, 1940, and the revision of the rate schedule which became effective on that date.

The table also shows, by offices, the number and amount of partial benefits paid beginning October 1, 1940. It will be observed that Haverhill and Boston accounted for 19.2% and 12.4%, respectively, of the total amount so disbursed.

TABLE XVI BENEFIT PAYMENTS - YEARS 1940 AND 1939 - NUMBER OF CHECKS, TOTAL AMOUNT,
AND AVERAGE CHECK DISBURSED - BY OFFICES

OFFICE WHERE CLAIM WAS FILED	Y E A R 1 9 4 0										Y E A R 1 9 3 9				INCREASE OR DECREASE IN 1940		
	ALL PAYMENTS			TOTAL UNEMPLOYMENT			PARTIAL & PART-TOT. UNEMP.				NO. OF CHECKS	TOTAL AMOUNT	% OF TOTAL	AV. CHECK	ALL PAYMENTS		AV. CHECK FOR TOT. UNEMP.
	NO. OF CHECKS	TOTAL AMOUNT	% OF TOTAL	NO. OF CHECKS	TOTAL AMOUNT	AV. CHECK	NO. OF CHECKS	% OF TOTAL	TOTAL AMOUNT	AV. CHECK					TOTAL AMOUNT	%	
TOTALS - ALL OFFICES	3,131,520	\$ 31,206,667	100.0	3,051,663	\$ 30,756,343	\$ 10.08	79,857	100.0	\$ 450,324	\$ 5.64	1,981,843	\$ 19,694,108	100.0	\$ 9.94	\$ 11,512,559	58.5	\$.14
DISTRICT I																	
SPRINGFIELD	163,213	1,645,763	5.3	161,277	1,635,588	10.14	1,936	2.5	10,175	5.26	122,597	1,249,912	6.4	10.20	395,851	31.7	.06
NORTHAMPTON	39,310	395,371	1.2	38,712	382,380	9.88	598	0.8	2,991	5.00	21,242	202,632	1.0	9.54	182,739	90.2	.34
GREENFIELD	15,325	161,968	0.5	15,082	160,305	10.63	243	0.3	1,563	6.43	11,455	114,832	0.6	10.02	47,036	41.0	.61
NORTH ADAMS	52,465	476,247	1.5	51,400	470,880	9.16	1,065	1.3	5,367	5.04	25,709	236,312	1.2	9.19	239,935	101.5	.03
PITTSFIELD	40,168	402,371	1.3	39,699	399,907	10.07	469	0.6	2,464	5.25	27,115	287,436	1.5	10.60	114,935	40.0	.53
HOLYOKE	45,629	431,392	1.4	44,778	427,840	9.55	851	1.1	3,552	4.17	32,338	309,625	1.6	9.57	121,767	39.3	.02
DISTRICT II																	
WORCESTER	172,825	1,706,984	5.4	171,059	1,697,295	9.92	1,766	2.2	9,689	5.49	118,778	1,201,200	6.1	10.11	505,784	42.1	.10
MILFORD	50,068	493,787	1.6	49,118	488,221	9.94	950	1.2	5,566	5.86	26,481	260,530	1.3	9.84	233,257	89.5	.10
WEBSTER	47,707	458,765	1.5	46,355	451,399	9.74	1,352	1.7	7,366	5.45	29,127	264,560	1.3	9.40	194,205	73.4	.34
FITCHBURG	88,308	840,131	2.7	87,439	835,743	9.56	868	1.1	4,383	5.05	59,579	565,849	2.9	9.50	274,282	48.5	.06
ATHOL	15,782	144,371	0.5	15,130	137,804	9.11	653	0.8	3,567	5.46	14,356	134,377	0.7	9.36	6,994	5.2	.25
MARLBOROUGH	71,112	706,534	2.3	67,409	683,787	10.14	3,703	4.6	22,747	6.14	35,989	356,738	1.8	9.91	349,796	98.1	.23
DISTRICT III																	
LAWRENCE	230,942	2,187,839	7.0	225,937	2,162,599	9.57	4,955	6.2	25,240	5.09	104,665	913,176	4.6	8.72	1,274,663	139.6	.85
LOWELL	136,413	1,255,903	4.0	133,463	1,240,810	9.30	2,950	3.7	15,393	5.12	75,998	697,602	3.5	9.18	558,301	80.0	.12
HAVERHILL	99,935	949,041	3.0	94,513	854,465	10.11	15,372	19.2	83,576	5.76	56,409	523,484	2.7	9.28	419,557	90.1	.83
NEWBURYPORT	45,196	433,530	1.4	39,807	401,943	10.10	5,389	6.7	31,587	5.86	20,760	197,335	1.0	9.50	236,195	119.7	.60
LYNN	97,432	979,277	3.1	92,597	950,976	10.27	4,835	6.1	29,301	5.95	72,675	733,230	3.7	10.09	246,047	33.6	.18
SALEM	99,382	1,016,521	3.3	96,627	999,495	10.34	2,755	3.5	17,026	6.18	84,353	829,719	4.2	9.84	186,802	22.5	.50
WOBURN	35,776	402,071	1.3	35,229	398,816	11.32	547	0.7	3,255	5.95	18,514	201,088	1.0	10.87	200,983	99.9	.45
DISTRICT IV																	
BOSTON	529,777	5,498,442	17.6	519,843	5,440,727	10.47	9,934	12.4	57,715	5.81	359,400	3,696,751	18.8	10.28	1,801,691	48.7	.19
CHELSEA	70,285	727,744	2.3	68,426	716,047	10.46	1,859	2.3	11,697	6.29	43,190	442,789	2.3	10.25	284,955	64.4	.21
CAMBRIDGE	95,169	995,709	3.2	93,883	988,437	10.53	1,286	1.6	7,272	5.65	66,024	690,089	3.5	10.45	305,620	44.3	.08
MALDEN	83,463	872,617	2.8	81,605	861,776	10.56	1,858	2.3	10,841	5.83	56,192	594,433	3.0	10.58	278,184	46.8	.02
MEDFORD	36,694	394,560	1.3	36,032	390,437	10.84	662	0.8	4,123	6.23	23,421	252,649	1.3	10.79	141,911	56.2	.05
SOMERVILLE	57,754	613,605	2.0	56,873	608,362	10.70	881	1.1	5,243	5.95	40,710	430,000	2.2	10.56	183,605	42.7	.14
WALTHAM	29,931	326,192	1.0	29,527	323,536	10.96	404	0.5	2,656	6.57	17,307	189,916	1.0	10.97	136,276	71.8	.01
NEWTON	51,853	562,647	1.8	51,348	559,651	10.90	505	0.6	2,996	5.93	31,564	346,837	1.8	10.99	215,810	62.2	.00
QUINCY	60,070	673,842	2.2	58,968	667,568	11.32	1,102	1.4	6,274	5.69	44,065	489,070	2.5	11.10	184,772	37.8	.22
DISTRICT V																	
TAUNTON	27,244	257,441	0.8	26,831	255,075	9.51	413	0.5	2,366	5.73	21,616	205,610	1.0	9.51	51,831	25.2	—
BROCKTON	157,675	1,589,008	5.1	151,942	1,558,226	10.26	5,733	7.2	30,782	5.37	109,051	1,102,324	5.6	10.11	486,684	44.2	.15
NORWOOD	23,962	258,860	0.8	23,413	255,655	10.92	549	0.7	3,205	5.84	18,616	204,694	1.0	11.00	54,166	26.5	.08
FALL RIVER	115,278	976,697	3.1	113,693	969,498	8.53	1,585	2.0	7,199	4.54	69,806	575,192	2.9	8.24	401,505	69.8	.29
ATTLEBORO	26,568	261,718	0.8	26,401	260,649	9.87	167	0.2	1,069	6.40	16,186	164,943	0.8	10.19	96,775	58.7	.32
NEW BEDFORD	129,980	1,151,791	3.7	128,942	1,147,082	8.90	1,038	1.3	4,709	4.54	52,418	426,092	2.2	8.13	725,699	170.3	.77
BARNSTABLE (HYANNIS)	11,108	112,267	0.4	10,865	110,892	10.21	243	0.3	1,375	5.66	8,535	84,706	0.4	9.92	27,561	32.5	.29
INTERSTATE	77,771	864,761	2.8	77,390	862,467	11.14	381	0.5	2,294	6.02	46,602	518,376	2.6	11.12	346,385	66.8	.02

* Payments for partial and part-total unemployment began in October, 1940.

Benefit payments for the year 1940 are classified by major industrial groups in Table XVII. Classification has been based upon the industry of the last employer in the base period (i.e., the period in which wage credits used as the basis for benefits were earned) and on a 30% sample.

It will be noted that 60.5% of the total payments went to workers in manufacturing industries, and that wholesale and retail trading groups accounted for 18.7% of the payments.

Differences in average earnings of workers in the various industries are reflected in differences in average weekly benefits for total unemployment, which are based upon wages earned in the highest quarter of the base period. The average for all industries was \$10.09, but the individual groups showed averages ranging between \$8.80 (for personal service groups) and \$12.52 (for wholesale distributors).

The three most important manufacturing groups, from the standpoint of benefit payments, showed averages as follows:

Textile mill products	\$9.25
Leather and shoe manufacturing	9.92
Apparel, etc.	9.06

More than half (55.7%) of the payments for partial and part-total benefits, which began in October, 1940, went to workers in the leather and shoe manufacturing industry, while the apparel manufacturing group accounted for 12.6%. Both of these groups customarily have a seasonal drop in employment during the latter part of the calendar year and would, therefore, be expected to draw more heavily on the Fund during the period from October to December. On an annual basis the percentages of partial benefits paid

to workers in these two groups should be less than for the last quarter of the year.

Partial checks averaged between \$4.36 for workers in retail establishments and \$7.83 for workers in filling stations, garages, etc., and, in general, were lowest in those industries where the averages for full benefits were relatively low.

Chart V shows the weekly fluctuations in compensable unemployment for the various important industries on the basis of the 30% sample referred to above.

TABLE XVII BENEFIT PAYMENTS - YEAR 1940
BY MAJOR INDUSTRIAL GROUPS

INDUSTRIAL GROUPS	ALL PAYMENTS			P A Y M E N T S F O R							
				TOTAL UNEMPLOYMENT				PARTIAL & PART-TOTAL UNEMP.			
	NO. OF CHECKS*	AMOUNT	% OF TOT.	NO. OF CHECKS*	AMOUNT	% OF TOT.	AV. CHK.	NO. OF CHKS.*	AMOUNT	% OF TOT.	AV. CHK.
TOTALS - ALL INDUSTRIAL GROUPS	3,128,037	\$ 31,206,667	100.0	3,048,180	\$ 30,756,343	100.0	10.09	79,857	\$ 450,324	100.0	5.64
MANUFACTURING	1,971,294	18,872,960	60.5	1,905,471	18,504,577	60.2	9.71	65,823	368,383	81.8	5.60
Textile-Mill Products	617,834	5,688,961	18.2	611,966	5,660,112	18.4	9.25	5,868	28,849	6.4	4.92
Leather and Leather Products	509,479	4,872,776	15.6	466,051	4,622,002	15.0	9.92	43,428	250,774	55.7	5.77
Apparel and other Finished Products Made from Fabrics and Similar Materials	242,385	2,155,817	6.9	231,635	2,099,091	6.8	9.06	10,750	56,726	12.6	5.28
Food and Kindred Products	100,909	1,026,194	3.3	99,814	1,020,092	3.3	10.22	1,095	6,102	1.4	5.57
Iron and Steel and their Products	64,836	726,782	2.3	64,496	724,651	2.4	11.24	340	2,131	.5	6.27
Machinery (Except Electrical)	25,754	294,023	.9	25,503	292,676	1.0	11.48	251	1,347	.3	5.37
Printing, Publishing and Allied Industries	46,330	487,546	1.6	45,566	483,329	1.6	10.61	764	4,217	.9	5.52
Paper and Allied Products	55,232	515,425	1.7	54,362	511,193	1.7	9.40	870	4,232	.9	4.86
Electrical Machinery	43,850	399,018	1.3	43,491	397,116	1.3	9.13	359	1,902	.4	5.30
Rubber Products	50,077	499,204	1.6	49,775	497,394	1.6	9.99	302	1,810	.4	5.99
Chemicals and Allied Products	29,176	324,942	1.1	28,928	323,481	1.0	11.18	248	1,461	.3	5.89
Furniture & Finished Lumber Products	34,444	341,806	1.1	34,052	339,511	1.1	9.97	392	2,295	.5	5.85
Nonferrous Metals & their Products	25,983	254,913	.8	25,851	254,132	.8	9.83	132	781	.2	5.92
All other Manufacturing	125,005	1,285,553	4.1	123,981	1,279,797	4.2	10.32	1,024	5,756	1.3	5.62
WHOLESALE AND RETAIL TRADE	567,786	5,828,261	18.7	559,126	5,779,815	18.8	10.34	8,660	48,446	10.8	5.59
Full-Service and Limited-Function Wholesalers	66,254	721,102	2.3	65,523	716,663	2.3	10.94	731	4,439	1.0	6.07
Wholesale Distributors, other than Full-Service and Limited-Function Wholesalers	48,727	608,233	2.0	48,392	606,031	2.0	12.52	335	2,202	.5	6.57
Retail Food (includes liquor stores)	69,146	721,352	2.3	67,832	713,832	2.3	10.52	1,314	7,520	1.7	5.72
Retail General Merchandise	85,137	718,038	2.3	83,358	710,274	2.3	8.52	1,779	7,764	1.7	4.36
Eating and Drinking Places	112,199	1,030,181	3.4	110,225	1,039,449	3.4	9.43	1,974	10,732	2.4	5.44
Retail Trade, Not Elsewhere Classified	63,341	687,223	2.2	62,586	681,594	2.2	10.89	755	5,629	1.2	7.46
Other Wholesale and Retail Trade	38,868	451,714	1.4	38,522	449,547	1.5	11.67	346	2,167	.5	6.26
Retail Apparel and Accessories	53,737	521,332	1.7	52,620	515,651	1.7	9.80	1,117	5,681	1.3	5.09
Retail Automotive	17,154	201,256	.6	16,953	199,790	.6	11.78	201	1,466	.3	7.29
Filling Stations, Garages and Automobile Repair Service	13,223	147,830	.5	13,115	146,984	.5	11.21	108	846	.2	7.93
TRANSPORTATION, COMMUNICATION, AND UTILITIES	107,497	1,264,120	4.1	106,351	1,256,562	4.1	11.62	1,146	7,557	1.7	6.59
SERVICE	164,075	1,572,265	5.0	161,762	1,559,534	5.1	9.64	2,313	12,731	2.8	5.50
Personal Service	56,102	490,686	1.6	55,255	486,033	1.6	8.80	847	4,653	1.0	5.49
Hotels, Rooming Houses, Camps and Other Lodging Places	31,974	290,087	.9	31,470	287,349	.9	9.13	504	2,738	.6	5.43
Other Service	75,999	791,492	2.5	75,037	786,152	2.6	10.48	962	5,340	1.2	5.55
FINANCE, INSURANCE AND REAL ESTATE	74,165	650,904	2.7	73,624	647,343	2.7	11.51	541	3,561	.8	6.58
CONSTRUCTION	161,496	1,969,565	6.3	160,424	1,961,962	6.4	12.23	1,072	7,603	1.7	7.09
ALL OTHER	81,724	848,592	2.7	81,422	846,549	2.7	10.40	302	2,043	.4	6.76

* Adjustment checks have been excluded

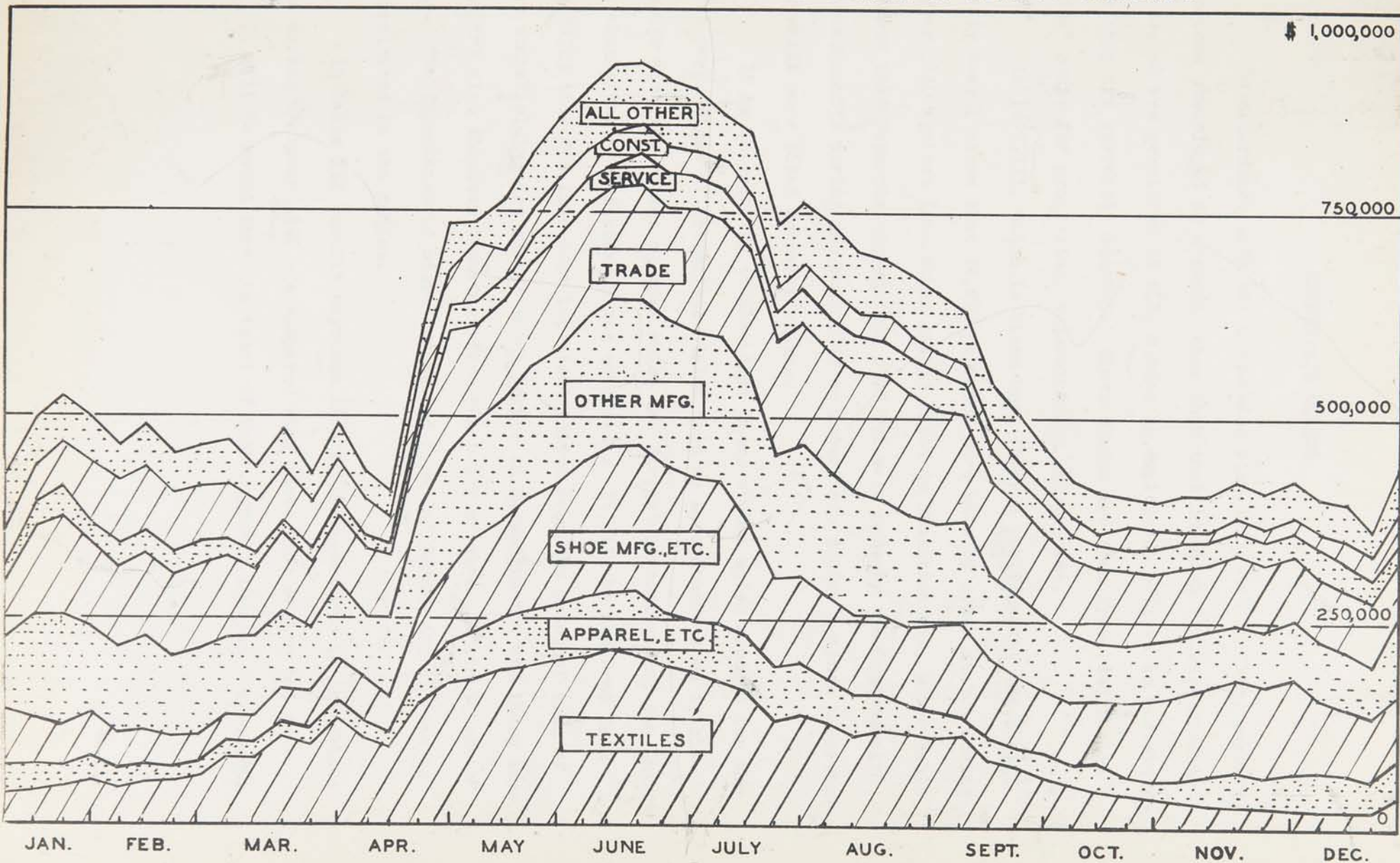
** Payments for partial and part-total unemployment began in October, 1940

INDUSTRIAL DISTRIBUTION OF BENEFIT PAYMENTS

BY COMPENSABLE WEEKS

FOR THE PERIOD FROM JAN. 1, 1940, TO DEC. 28, 1940

BASED UPON 30 PERCENT RANDOM REPRESENTATIVE SAMPLE OF BENEFIT PAYMENTS



INTERSTATE CLAIMS

In accordance with the nationwide plan initiated in 1938, workers who become unemployed in a state other than that in which the wage credits were earned are permitted to file claims in employment offices in the states where they are currently located. These claims are then forwarded to the "liable" state for processing, determination and payment.

Table XVIII, which is based upon figures published by the Social Security Board, shows that 74,213 payments were made by other states during the year 1940 against interstate claims filed in Massachusetts, while Table XIX shows that payments aggregating \$864,761 were made by the Commonwealth of Massachusetts during the year 1940 on interstate claims against Massachusetts which were filed in other states.

It is interesting to note that those states which account for the largest percentages of interstate claims paid by Massachusetts as liable state are also the states against which the largest percentages of the interstate claims taken in Massachusetts were made. It will be observed from Table XVIII that the five most important states from the point of view of "agent state" claims are states which border on Massachusetts and these same states are also the most important from the point of view of "liable state" claims. The importance of migration to and from California and Florida is also indicated in the tables.

In Table XIX benefit payments made by Massachusetts on interstate claims during the year 1940 are compared with those made during the year 1939. It will be noted that the total of such payments increased by 66.8%.

However, there were wide variations in the amounts paid during the two years under comparison to residents of the various states. It will also be noted that payments to residents of Rhode Island increased by 135%, while those paid to residents of Florida increased by 130% and those paid to residents of Illinois increased by 117%. A large part of the increase is undoubtedly attributable to the liberalization of the benefit formulae which resulted in an increase of approximately 58% in the aggregate amount of benefit payments on both domestic and interstate claims. However, increases in excess of 58% must be accounted for by other factors.

In the case of Rhode Island it seems likely that conditions in the textile industry during 1940 would account for a large part of the increase, which is comparable with the increase shown in textile areas in Massachusetts.

Since Illinois did not begin taking claims for benefits until July 1939, the payments on claims taken in that state in the year 1939 represent only a half-year's claims, while those shown for the year 1940 represent a full year's claims.

In the case of Florida the increase would indicate that relatively large numbers of individuals who had worked in Massachusetts went to Florida in search of employment and were unable to find it there.

TABLE XVIII BENEFIT PAYMENTS ON INTERSTATE CLAIMS FILED
IN MASSACHUSETTS - YEAR 1940 - BY
STATES

State Against Which Claim Was Filed	No. of Weeks of Unemployment	% of Total
Total - All States	74,213	100.0
New York	18,201	24.5
New Hampshire	14,451	19.5
Rhode Island	12,518	16.9
Connecticut	8,609	11.6
Maine	6,578	8.9
Vermont	2,425	3.3
New Jersey	2,036	2.7
Florida	1,446	1.9
California	1,421	1.9
Pennsylvania	1,245	1.7
Illinois	1,016	1.4
Michigan	678	.9
Ohio	668	.9
Maryland	292	.4
All Others	2,629	3.5

TABLE XIX BENEFIT PAYMENTS ON INTERSTATE CLAIMS FILED
IN OTHER STATES - YEARS 1940 AND 1939 -
BY STATES

State Where Claim Was Filed	Year 1940		Year 1939		Increase	
	Amount	% of Total	Amount	% of Total	Amount	%
Total - All States	\$864,761	100.0	\$518,376	100.0	\$346,385	66.8
Rhode Island	229,983	26.6	97,864	18.9	132,118	135.0
New York	160,767	18.6	106,489	20.5	54,278	51.0
New Hampshire	90,428	10.5	60,384	11.7	30,044	49.8
Connecticut	78,184	9.0	47,566	9.2	30,618	64.4
Maine	66,324	7.7	43,551	8.4	22,973	53.0
California	40,610	4.7	26,726	5.2	13,884	51.9
Florida	39,240	4.5	17,022	3.3	22,218	130.5
New Jersey	25,137	2.9	18,381	3.5	6,756	36.8
Pennsylvania	23,328	2.7	19,333	3.7	3,995	20.7
Vermont	22,527	2.6	16,300	3.1	6,227	38.2
Illinois	11,521	1.3	5,308	1.0	6,213	117.0
Maryland	9,923	1.2	6,965	1.3	2,958	42.5
Ohio	7,893	.9	7,656	1.5	237	3.1
Michigan	6,403	.7	6,062	1.2	341	5.6
All Others	52,493	6.1	38,969	7.5	13,525	34.7

FRAUD AND ERROR IN BENEFIT CLAIMS
AND RECOVERIES FROM CLAIMANTS

One of the major problems confronting administrators of unemployment compensation laws in all states concerns the prevention of fraudulent or erroneous claims for benefits, the detection of such claims after they have been made, and recovery from claimants who may have collected benefits through fraud or error.

In the belief that prevention is the most important of these objectives, the Division has endeavored to provide such training and instruction for personnel taking claims in local offices as will ensure a full realization of their responsibilities in this connection. The Local Office Manual, containing detailed instructions covering interviews with claimants, indicates the type of information which must be obtained from the individual filing the claim.

The Law provides for notification of the most recent employer, who is given an opportunity to challenge any claim which he believes to be invalid. Many instances of error or attempted fraud are discovered through the cooperation of employers.

Other similar cases come to the attention of the local office through various local channels of information, and are handled individually.

It had been realized for some time that, in order adequately to protect the Trust Fund, some systematic means of independently verifying the propriety of benefit payments would have to be adopted by the Division.

During the year 1940, a system of "mechanical verification" based upon a comparison of benefit payments to a worker in a given quarter with his wage record for that quarter was established. The object of this check

is to locate the claimant whose earnings in a given quarter were high enough to raise a question as to whether he was actually unemployed in the weeks for which benefits were drawn.

A field audit unit has been set up within the Division and has been given the responsibility for following through to the employer's payroll records such cases as have been referred to it by the Benefits Department as a result of the "mechanical audit."

With the initiation of partial benefits in October 1940, the need arose for verification of amounts earned in weeks when partial benefits were claimed. A procedure was established whereby a portion of the payments made in each area, selected at random, was audited. The earnings reported by the claimant were compared with the wages paid to him for a given week as shown by the employer's payroll records.

Since benefits for partial unemployment did not begin until October 1940, only two months' experience with such benefits had been acquired prior to the end of the fiscal year covered by this report. In the early initiation period it was to be expected that, due to lack of understanding on the part of workers, relatively more erroneous claims would be made than in later periods after workers in general had become more familiar with the operation of partial benefit provisions of the Law.

It is also believed that the realization by workers that the Division's audit unit is constantly verifying partial earnings of claimants, selected at random, has had and will continue to have the effect of reducing the number of fraudulent claims and of promoting greater accuracy in the reporting of partial earnings.

As a result of these investigations, a number of instances of overpayment have been uncovered. Steps are now being taken to prosecute claimants who appear to have been guilty of fraud.

PUNCTUALITY IN PAYMENT OF BENEFITS

One measure of the efficiency of an insurance organization is the degree of promptness with which claims are determined and paid. This measure is equally applicable to unemployment compensation agencies.

Measured by this yardstick, the Massachusetts agency occupies a very favorable position among the states of comparable size and industrial composition throughout the country. The following table is based upon data published by the Social Security Board with reference to benefit payments during the three months ended December 31, 1940, and individuals filing claims within the respective states ("intrastate" claims).

State	Percent of Payments Made in			
	Number of Payments	Less than 1 week	1 and less than 2 weeks	Less than 2 weeks
Totals All states*	8,395,652	67.7	24.2	91.9
Massachusetts	564,973	89.8	7.6	97.4
New Jersey	261,760	89.4	4.8	94.2
Pennsylvania	618,290	88.3	6.6	94.9
California	1,020,173	84.5	12.7	97.2
Michigan	242,211	79.8	13.2	90.0
Ohio	408,577	74.6	16.3	90.9
New York	1,485,075	40.2	52.6	92.8
Illinois	664,102	33.2	43.3	76.5

* Totals include smaller states not listed in table.

As the table shows, approximately 90% of the benefit checks paid by this Division during the quarter were issued before the end of the week following the week of unemployment.

One of the principal aims of unemployment compensation insurance is to have the payment reach the claimant at the time when he would normally receive a pay check if he had worked. It will be realized that Massachusetts has made great progress toward achieving this result.

Less favorable percentages were shown in the case of interstate payments, i.e., payments on claims filed in other states by individuals who had earned wages in Massachusetts, but the Division's experience with respect to such payments has also been better than other states of comparable size and industrial composition. Since the prompt issuance of payments on such claims is dependent upon prompt receipt of the signed claim from the agent state, the matter is not entirely within the control of this Division. Moreover, claims coming from distant states, such as California and Florida, necessarily take longer to reach us through the mails.

The results indicated in the above comparison are due to improvements in operating efficiency. In order to pay benefits promptly, it is necessary for the Division to have on file at the time the claim is received a complete and accurate record of the claimant's wage credits. It is also necessary that all delays in transmitting claims and warrants to or from the Central Office be eliminated and that the flow of claims and warrants through the Central Office follow well-organized procedures which will ensure accuracy as well as speed. That the Division has made satisfactory progress along these lines is evidenced by the figures quoted above. While it will never be possible to pay 100% of the benefits checks within the week following the compensable week, because of delays due to disputed claims, delinquent wage reports, errors in Social Security numbers, etc., it is believed that further improvement in the Division's relatively favorable record will be made during the ensuing year.

EMPLOYERS SUBJECT TO THE MASSACHUSETTS UNEMPLOYMENT COMPENSATION LAW

During the fiscal year ending November 30, 1940, 6789 additional employers were declared subject to the Law, as shown below:

TABLE XX - Employers Declared Subject to the Massachusetts Unemployment Compensation Law during the Fiscal Year Ending November 30, 1940

Basis of Liability	Liability Beginning With						
	Year 1936	Year 1937	Year 1938	Year 1939	Year 1940	Miscellaneous Dates	Total
Totals	62	260	149	3085	1212	2021	6789
Eight or more employees	62	64	35				161
Four or more employees				2857	1016		3873
Liability under Title IV of Social Security Act		196	114	228	196		734
Successor to subject employers						1776	1776
Election to become subject						188	188
Miscellaneous revivals, etc.						57	57

The number of subject employers was increased during the fiscal year by a net amount of 2926, accounted for as follows:

Number of subject employers at December 31, 1939 - - - -30,683

Total subject declarations during year ending
November 30, 1940, as shown in Table XX - - - - - 6,789
37,472

Total determined not subject or suspended from
liability to file returns because of cessation
of business in Massachusetts - - - - - 3,863

Number of subject employers at November 30, 1940 - - - 33,609

In addition to the employers referred to above were 10,601 other employers filing their first status reports with the Division during the year ending November 30, 1940, who were declared not subject to the Law. The Division also re-examined the status of employers who, in prior years, had been found not liable on the basis of their employment record up to the date of investigation. Of these, 11,290 were redetermined not subject to the Law on the basis of the more recent employment record, making a total of 21,891 "not subject" findings during the year.

Table XX shows the bases of liability for the 6,789 employers declared subject to the Law during the year. It will be noted that in the case of some of these employers, liability extended back beyond January 1, 1939, and that many of them were liable for three years' contributions. However, the number of such delinquent cases brought to light in the fiscal year under review was considerably less than the corresponding figure for the prior year and it is believed that relatively few liable employers are still to be registered in the Division's rolls.

One important source of information on delinquent employers whose status has never been investigated is the list of a worker's former employers

appearing on his claim for benefits. During the fiscal year 7,261 such employers were investigated and those who were found subject to the Law were duly notified of their liability.

The total number of employers determined liable in the fiscal year under review (6,789) was less by 8442 than the corresponding figure for the preceding fiscal year (15,231). It will be recalled that, effective as of January 1, 1939, coverage was extended to workers in establishments employing four or more individuals, having previously been limited to those employing eight or more (for the specified minimum of one day in each of twenty different calendar weeks). This extension of coverage has nearly doubled the number of subject employers. If coverage were to be still further extended to employers of "one or more," it may reasonably be expected that the number will show a still greater increase of from 50,000 to 60,000 subject employers, with an increase of somewhere in the neighborhood of 100,000 in the number of covered workers.

As stated above, the number of subject employers registered with the Division as of November 30, 1940, was 33,609.

EMPLOYER COOPERATION IN THE FILING OF NECESSARY REPORTS

One of the primary responsibilities of any unemployment compensation agency is that of obtaining promptly from employers subject to the Law periodic reports showing their liability for contributions to the Fund and the amount of wages paid to covered workers. Contribution reports form the basis for collections from employers and must be promptly filed with the Division in order that amounts due the Fund may be determined and collected.

Since wage reports form the basis for determination of benefit rights, the Division must have a complete wage record on file at the time the claim is made in order to pay benefits without delay.

During the year under review, much progress has been made in obtaining employer cooperation in the prompt filing of both types of report, and Massachusetts has attained a relatively high record, in comparison with other states of comparable size and industrial pattern, as revealed by confidential information published by the Research and Statistics Division of the Bureau of Employment Security of the Social Security Board, covering reports for the quarter ended December 31, 1940.

From the tables published by the Bureau, a tabulation was drawn up comparing the experience of Massachusetts with respect to delinquency with that of eight other industrial states, having between 10,000 and 150,000 subject employers. (Since the tables were published as "confidential," they cannot be reproduced here.)

The comparison shows that:

- (1) only two states (having a much smaller coverage) had a better record than Massachusetts with respect to promptness in filing contribution reports.

- (2) Massachusetts led the nine states in collection of contributions on or before the due date.
- (3) Massachusetts led the nine states in the percentage of wage reports filed before the due date.

With respect to both contribution reports and wage reports, the percentages for the fourth quarter of 1940 which were filed on time exceeded the corresponding percentages for the third quarter. It is hoped that delinquency may be cut down still further during the year 1941.

Calendar Year	Amount of Contributions	Amount of Wage Reports	Percentage of Contributions	Percentage of Wage Reports
1939	\$1,000,000	100,000	100%	100%
1940	\$1,000,000	100,000	100%	100%
1941	\$1,000,000	100,000	100%	100%
1942	\$1,000,000	100,000	100%	100%
1943	\$1,000,000	100,000	100%	100%
1944	\$1,000,000	100,000	100%	100%
1945	\$1,000,000	100,000	100%	100%
1946	\$1,000,000	100,000	100%	100%
1947	\$1,000,000	100,000	100%	100%
1948	\$1,000,000	100,000	100%	100%
1949	\$1,000,000	100,000	100%	100%
1950	\$1,000,000	100,000	100%	100%

CONTRIBUTIONS TO THE FUND

During the fiscal year, contributions were collected from employers at the following percentages of total "taxable" payrolls:

Year 1936	.9%
Year 1937	1.8%
Years 1938-1940	2.7%

For the year 1940, liability for contributions was limited to the first \$3000 of wages paid to each employee. For prior years, the entire payroll was subject to liability for contributions.

Employee contributions, which were collectible only with respect to wages earned between January 1, 1937, and June 30, 1938, were suspended for one year as of the latter date and were eliminated from the Law as of June 30, 1939.

Contributions collected between December 1, 1939, and November 30, 1940, together with interest penalties thereon, less refunds and interest paid, are summarized as follows:

Applicable to Calendar Year	Amount of Contributions		Interest Penalties	Total Collections
	Employer	Employee		
1936	\$ 1,204.94	\$14,292.99	\$ 931.87	\$ 2,136.81
1937	67,865.63	10,741.66	16,890.04	99,048.66
1938	86,108.82	---	8,342.71	105,193.19
1939	10,842,198.10	---	16,787.38	10,858,985.48
1940	27,251,171.93	---	6,270.62	27,257,442.55
Totals	\$38,248,549.42	\$25,034.65	\$49,222.62	\$38,322,806.69

In connection with the foregoing tabulation, it should be borne in mind that a large proportion of the 1939 contributions collected in the current year related to the fourth quarter of that year, paid on or before the final due date thereof, January 31, 1940. On the other hand, the amounts reported for the year 1940 relate only to the first three quarters of that year, since contributions for the last quarter were not due until January, 1941.

The relative importance of the various industries in the Commonwealth is indicated in Table XXI, which shows the amounts and percentages of total contributions received from employers with respect to wages paid or payable during the year 1940, as compared with the year 1939.

If total payrolls for the year 1940 had been the same as for the year 1939, there would have been an estimated decrease of approximately 8.4% in the amount of contributions for the later year because of the \$3,000 limitation on taxable wages which became effective January 1, 1940. However, there was actually no reduction in contributions received for the year 1940 because of the increase in payrolls brought about by the increase in industrial activity due to the defense program. It will be noted that the decreases in contributions received from employers in the trade and transportation, communication and utilities groups were substantially offset by increases in contributions received from the manufacturing and construction groups. Most of the decrease in contributions received from the transportation, communication, and utilities group is accounted for by the fact that interstate railroads were transferred to the coverage of the Railroad Unemployment Insurance Act on July 1, 1939. Contributions received from such railroads in 1939 exceeded \$500,000.

TABLE XXI
CONTRIBUTIONS FOR THE YEARS 1940 AND 1939 BY EMPLOYERS SUBJECT
TO THE MASSACHUSETTS UNEMPLOYMENT COMPENSATION LAW
CLASSIFIED BY INDUSTRIAL GROUPS

INDUSTRIAL GROUPS	YEAR 1940*		YEAR 1939		INCREASE OR DECREASE DURING 1940	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL	AMOUNT	%
TOTALS - ALL GROUPS	\$37,490,142.04	100.0	37,601,339.99	100.0	111,197.95	.3
MANUFACTURING	19,677,650.68	52.5	19,093,432.29	50.8	584,218.39	3.1
Textile-Mill Products	3,587,837.16	9.6	3,479,076.29	9.2	108,760.87	3.1
Leather and Leather Products	1,873,429.06	5.0	1,998,850.92	5.3	125,421.86	6.3
Apparel and Other Finished Products Made from Fabrics and Similar Materials	1,086,102.10	2.9	1,266,575.65	3.4	180,473.55	14.2
Food and Kindred Products	1,487,942.32	4.0	1,463,859.11	3.9	24,083.21	1.6
Iron and Steel and Their Products	1,678,219.44	4.5	1,552,090.66	4.1	126,128.78	8.1
Machinery (Except Electrical)	1,936,897.04	5.2	1,611,643.23	4.3	325,253.81	20.2
Printing, Publishing, and Allied Industries	1,138,771.05	3.0	1,264,644.79	3.4	125,873.74	10.0
Paper and Allied Products	1,063,541.50	2.8	1,116,311.09	3.0	52,769.59	4.7
Electrical Machinery	1,564,126.19	4.2	1,221,793.94	3.3	342,332.25	28.0
Rubber Products	503,417.62	1.3	612,959.57	1.6	109,541.95	17.0
Chemicals and Allied Products	637,632.73	1.7	733,694.66	2.0	96,061.93	13.1
Furniture and Finished Lumber Products	471,128.56	1.3	497,000.38	1.3	25,871.82	5.2
Nonferrous Metals and their Products	540,864.21	1.4	532,318.25	1.4	8,545.96	1.6
All Other Manufacturing	2,107,741.70	5.6	1,742,613.75	4.6	365,127.95	21.0
WHOLESALE AND RETAIL TRADE	8,621,034.69	23.0	9,171,456.69	24.4	550,422.00	6.0
Full-Service and Limited-Function Wholesalers	1,369,761.06	3.7	1,806,424.61	4.8	436,663.55	24.2
Wholesale Distributors, Other than Full-Service and Limited-Function Wholesalers	1,383,406.40	3.7	1,485,385.68	4.0	101,979.28	6.0
Retail Food (Includes Liquor Stores)	1,092,205.14	2.9	1,061,963.62	2.8	30,241.52	2.8
Retail General Merchandise	971,920.44	2.6	1,014,858.80	2.7	42,938.36	4.2
Eating and Drinking Places	793,265.19	2.1	768,883.85	2.0	24,381.34	3.2
Retail Trade, Not Elsewhere Classified	1,007,164.74	2.7	1,006,600.23	2.7	564.51	.1
Other Wholesale and Retail Trade	783,176.51	2.1	827,615.35	2.2	44,438.84	5.4
Retail Apparel and Accessories	539,480.45	1.4	556,954.90	1.5	17,474.45	3.1
Retail Automotive	483,142.51	1.3	453,014.49	1.2	30,128.02	6.7
Filling Stations, Garages, and Automobile Repair Service	197,512.25	.5	189,755.16	0.5	7,757.09	4.1
TRANSPORTATION, COMMUNICATION, & UTILITIES**	2,943,344.65	7.9	3,548,416.47	9.4	605,071.82	17.1
FINANCE, INSURANCE, AND REAL ESTATE	2,512,739.67	6.7	2,463,969.36	6.6	48,770.31	2.0
SERVICE	1,908,636.67	5.1	1,942,925.07	5.2	34,288.40	1.8
Personal Services	554,666.18	1.5	552,879.40	1.5	1,786.78	.3
Hotels, Rooming Houses, Camps, and Other Lodging Places	269,892.16	.7	267,755.54	0.7	2,136.62	.8
Other Service	1,084,078.33	2.9	1,122,290.13	3.0	38,211.80	3.4
CONSTRUCTION	1,740,886.02	4.6	1,252,978.33	3.3	487,907.69	38.9
ALL OTHERS	85,849.66	.2	128,161.78	.3	42,312.12	33.0

* Contributions for the year 1940 were based upon the first \$3000 of wages paid to an employee; for the year 1939, contributions were payable on the entire amount of wages paid.

** Beginning July 1, 1939, interstate railroads, previously included in this group, were no longer subject to the Massachusetts Unemployment Compensation Law (covered by the Railroad Unemployment Insurance Act).

OPERATING EXPENSES FOR THE CALENDAR YEAR 1940

Under the provisions of Title II of the Social Security Act, the Secretary of the Treasury of the United States is authorized, upon certification by the Social Security Board, to pay to state unemployment compensation agencies from the United States Treasury (not from the Unemployment Trust Fund) amounts which the Board determines to be necessary for the proper administration of the state unemployment compensation law. In order to be certified by the Social Security Board, the state must have an unemployment compensation law which meets certain requirements set forth in Section 303 of the Social Security Act.

Funds to be used "for the purpose of establishing and maintaining public employment offices" throughout the state are received from the Federal Government in accordance with the provisions of the Wagner Peyser Act, which also requires that the amount granted by the Federal Government be matched by a similar appropriation from the state.

A summary of funds available for the year 1940 and the expenditures charged against them is as follows:

	Sources of Funds				Total
	Wagner Peyser Act			Federal Grants Under Sec. III of Social Security Act	
	Federal Grants	State Allotment	Total		
Unexpended balance brought forward from 1939	\$ ---	\$ ---	\$ ---	\$ 122,520.12	\$ 122,520.12
Funds made available during the year 1940:					
January-June	52,185.25	52,185.25	104,370.50	1,447,510.03	1,551,880.53
July-December	51,556.67	51,556.67	103,113.34	1,620,218.87	1,723,332.21
Totals made available during 1940	\$103,741.92	\$103,741.92	\$207,483.84	\$3,067,728.90	\$3,275,212.74
Total Funds Available	\$103,741.92	\$103,741.92	\$207,483.84	\$3,190,249.02	\$3,397,732.86
Deduct:					
Expenditures for the year 1940	103,741.92	103,741.92	207,483.84	3,110,635.99	3,318,119.83
Balance-available for re-allotment for expenditures for 1941	---	---	---	\$ 79,613.03	\$ 79,613.03

The amount of \$122,520.12 brought forward as an unexpended balance from the prior year exceeds by \$12,779.33 the balance shown in the report for that year. This amount represents retrospective adjustments of expenditures for the years prior to 1940.

A comparison of expenditures by semi-annual periods for the calendar year 1940 and 1939 is shown below:

Period	Year 1940	Year 1939	Decrease
January-June	\$1,658,529.84	\$1,858,186.33	-\$199,656.49
July-December	1,659,589.99	1,729,183.28	- 69,593.29
Totals	\$3,318,119.83	\$3,587,369.61	-\$269,249.78

It will be noted that for the year 1940 as a whole there was a decrease of \$269,249.78 in total expenditures, or 7.5%, of which the larger portion occurred in the first six months.

The expenditures for the two years under comparison are classified as follows:

Classification	Year 1940		Year 1939		Decrease or *Increase	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Personal Services	\$2,585,270.11	77.91	\$2,860,705.74	79.74	-\$275,435.63	- 9.63
Supplies, printing, and binding	141,978.28	4.28	153,734.65	4.29	- 11,756.37	- 7.65
Telephone	42,334.61	1.28	46,282.58	1.29	- 3,947.97	- 8.53
Telegraph	282.05	.01	347.47	.01	- 65.42	-18.83
Postage	131,409.65	3.96	103,854.70	2.90	+ 27,554.95	+26.53
Travel	46,624.66	1.41	51,284.56	1.43	- 4,659.90	- 9.09
Transportation of things	7,912.81	.24	5,994.35	.17	+ 1,918.46	+32.00
Advertising	5,870.78	.18	3,755.65	.10	+ 2,115.13	+56.32
Heat, light, and water	22,752.76	.69	21,050.41	.59	+ 1,702.35	+ 8.09
Rent of premises	202,936.00	6.11	194,960.27	5.43	+ 7,975.73	+ 4.09
Rent of equipment	83,891.89	2.53	96,047.34	2.68	- 12,155.45	-12.66
Repairs and altera- tions	5,115.51	.15	4,424.50	.12	+ 691.01	+15.62
Equipment	22,367.36	.67	22,145.20	.62	+ 222.16	+ 1.00
Other expenses	19,373.36	.58	22,782.19	.63	- 3,408.83	-14.96
Totals	\$3,318,119.83	100.0	\$3,587,369.61	100.0	-\$269,249.78	- 7.50

It will be observed from the foregoing tabulation that the greatest reduction (in amount) occurred in the item of Personal Services. As explained elsewhere in this report there was a reduction of 178 in the number of employees during the year 1940. Since December 1, 1938, there has been a net reduction of 788 in the Division's staff, which has been reflected in greatly reduced expenditures for services. The savings thus effected have, to some extent, been offset by step-rate increases to permanent civil service employees. Increases which became effective June 1, 1940, resulted in an increase of approximately \$63,000 in expenditures for the year 1940.

Expenditures for rent of equipment were also greatly reduced during the year 1940 accounted for, in part, by a reduction in the number of I.B.M. machines needed to carry on certain phases of the Division's work. The saving is also attributable in part to the elimination of all tables, chairs, and desks which the Division had previously used on a rental basis, which was accomplished by some purchases of new equipment and by reallocations of other owned equipment.

The reduction in expenditures for supplies, printing and binding represents, in part, savings effected by the Division's undertaking to perform in its own duplicating unit much of the printing of forms and stationery previously done outside.

The large increase in postage expense is directly attributable to increases in the number of claims for benefits received and in the number of checks paid in the year 1940 over the totals in 1939. Each claim necessitates the mailing of a notice to the most recent employer. Most of the checks issued (i.e. all those outside the Boston area) require three-cent postage, while

those in Boston require two-cent. (As noted elsewhere in this report 1,149,677 more checks were issued during the year 1940 than during the year 1939.)

Expenditures for rental of premises were also greater during the year 1940. Additional space at the Harbor Building taken over during the latter part of the year 1939 accounted for part of the increase.

PERSONNEL

On December 1, 1939, there were 2044 employees in the Division, of whom 1176 were assigned to the administrative office and 868 to local offices.

The numbers of permanent and temporary employees, by months throughout the fiscal year, were as follows:

		All Employees			Administrative			Local Offices		
		Total	Perma- nent	Tempo- rary	Total	Perma- nent	Tempo- rary	Total	Perma- nent	Tempo- rary
1939	November	2044	1751	293	1176	886	290	868	865	3
	December	1774	1760	14	1035	1021	14	739	739	
1940	January	1813	1748	65	1079	1014	65	734	734	
	February	1813	1745	68	1076	1008	68	737	737	
	March	1860	1747	113	1118	1006	112	742	741	1
	April	1884	1753	131	1129	1004	125	755	749	6
	May	1898	1763	135	1147	1018	129	751	745	6
	June	1887	1760	127	1130	1010	120	757	750	7
	July	1869	1754	115	1114	1005	109	755	749	6
	August	1859	1746	113	1106	998	108	753	748	5
	September	1832	1740	92	1077	987	90	755	753	2
	October	1875	1726	149	1085	983	102	790	743	47
	November	1866	1721	145	1080	980	100	786	741	45

As of November 30, 1940, the total personnel was 1866, of whom 1080 were assigned to the administrative offices and 786 to local offices. There was, therefore, a reduction of 178, or 8.7%, in the total number of employees, comprising reductions of 96, or 8.2%, in administrative office personnel and 82, or 9.5%, in local office personnel.

There was a drop of 270, or 13.2%, in total personnel during December 1939, representing principally a reduction in temporary junior

clerks. By the end of the fiscal year, however, 92 additional employees had been taken on, reducing the decrease to 178.

At the beginning of the fiscal year 86% of the Division's staff were permanent civil service employees; at the end of the fiscal year, the percentage employed on a permanent civil service basis had been increased to 92%.

As indicated in the report for the fiscal year ended November 30, 1939, efforts have been made to bring about a reclassification of positions within the Division. It is hoped that this reclassification may be effected during the year 1941.

PUBLIC INFORMATION AND TRAINING

In order that its functions as an employment service and an unemployment compensation administrative agency may be effectively performed, it is necessary for the Division to carry on informational activities of various types.

Since good employer relations are the basis for effective placement service, it is necessary for the Division to continue and to expand its program of publicity and field visiting. The field visit is undoubtedly the most effective means of "selling" the employment service to a specific employer. The program of field visiting has been expanded and improved during the year under review. Special attention is being given to the labor needs of employers who have defense contracts.

Other types of publicity included: a motion-picture trailer with a two-minute sound movie, publicizing the employment service, which was viewed

by approximately 1,000,000 Massachusetts residents, exhibits at conventions and fairs, posters in public buildings, radio broadcasts, a speakers' bureau, newspaper releases, literature sent to individuals and organizations on special mailing lists.

Changes in benefit formulae effective April 1, 1940, made it necessary for the Division to utilize all the various publicity media in order that covered workers might have timely notice of their rights. The inception of partial benefits on October 1, 1940, also necessitated the adoption of an intensive informational program in which employers throughout the state participated by distributing to their employees explanatory sheets prepared by the Division, and by placing posters on employees' bulletin boards.

Local offices have also participated in the publicity program by distributing advertising pamphlets and blotters to employers in the respective areas, and by conducting a direct mail campaign.

Throughout the year, the Division continued its program of training for its employees. This program included induction training for new employees, and in-service training for various groups within the organization.

The issuance during the year of the Manual of Local Office Basic Operations was a major factor in the education of local office personnel and in the standardization of local office procedures. Fiscal manuals were also prepared for the local offices and for the administrative office.

ACTIVITIES OF COUNSEL

The Legal Department, in addition to its usual duties involving litigation, interpretations of the law, and advisory opinions to the Director and Advisory Council, during the past year, was particularly concerned with various problems which arose by reason of the enactment of the 1939 legislation whereby material changes were made in the benefits structure, the new benefit year becoming effective as of April 1, 1940.

In accordance with the terms of the 1939 legislation "General Rules" were drafted and approved by the Advisory Council, and filed with the Secretary of the Commonwealth.

The Legal Department also undertook a codification of the law which, up to and including the legislation of 1939, consisted of 12 separate enactments.

Further study and drafting of proposed legislative changes were occasioned by reason of changes made in the taxing provisions of the Social Security Act.

Drafts were also prepared for legislation relating to the reclassification of positions in the Division, the status of the Board of Review and Advisory Council, and the transfer of the Treasury Unit, so-called, from the Department of State Treasurer to this Division.

During the fiscal year ending November 30, 1940, the Legal Department issued 1,061 subpoenas for hearings in the cases of employers delinquent in payment of contributions, and held 1,332 such hearings. Collections resulting from such hearings amounted to \$135,951.13, while collections on dishonored checks amounted to \$10,382.05. A further sum of \$90,189.24 was

collected from delinquent employers against whom the Division found it necessary to take court action.

Collections relating to employers whose business is in the hands of assignees, receivers, and trustees in bankruptcy amounted to \$123,410.79. At the end of the year, there was outstanding an aggregate amount of \$164,744.78 due from debtors in this group.

Applications for refund of contributions claimed to have been overpaid were approved in 778 cases and denied in 59 cases.

The total number of applications to become subject to the Law by election, in accordance with the provisions of Section 1B of Chapter 151A, which were considered during the fiscal year aggregated 282. Of these, 167 were recommended for approval by the Director.

During the year 956 cases of delinquency in filing wage reports were referred to the Legal Department. Reports were obtained in 838 cases; in 58 cases the employer was found not subject to the Law (and, therefore, not required to file a wage report); and in 60 cases it was decided that reports were unobtainable. In three cases of failure to file wage reports, prosecutions were made and convictions obtained.

Where records are lost, destroyed or unobtainable, the Division will pay benefits on the basis of acceptable employee affidavits as to wages earned in covered employment. During the year, 77 such affidavits were accepted, 18 were rejected, and 84 were withdrawn.

During the year 41 employers were declared exempt from liability under the Law because they were determined to be organized and operated exclusively for charitable, educational or similar purposes. The total number of exemptions granted between January 1, 1937, and November 30, 1940, was 350.

There were 27 such cases under consideration at the end of the fiscal year.

Under Section 53 of the Law the Director may provide for the payment, to persons entitled thereto, of benefits due a deceased claimant or a claimant under mental disability. During the year under review payments under this section were authorized in 78 cases representing a total sum of \$1,252.00; and were denied in 14 cases. At November 30, 1940, there were 63 cases of this type awaiting decision.

RESEARCH AND STATISTICS

Having established during the previous year a reporting routine covering the gathering of basic statistical data from local offices and from operating departments within the Division, it was possible for the Department of Research and Statistics, during the year under review, to turn its attention to necessary research projects.

In order to estimate the effects of proposed changes in benefit formulae and eligibility requirements, it was essential that the Division should analyze its experience with respect to workers receiving benefits under the current Law. One of the most important research studies conducted during the year was an analysis of the benefit experience of a sample of 52,475 claimants completing their benefit years between January 1, 1939, and January 31, 1940. Among the significant facts revealed by this analysis were the following:

1. Approximately 65% of the claimants exhausted their total benefit credit. (In other words, these individuals evidently had further unemployment for which no benefits could be paid.)

2. More than 56% of the claimants had a potential duration of less than 11 weeks; less than 1% had a potential duration in excess of 20 weeks.
3. More than half the claimants had a weekly benefit rate of less than \$11.00; only 21% were entitled to the maximum rate of \$15.00.
4. The average total benefits per claimant were as follows:

Those exhausting benefit credit	\$104.98
Those not exhausting benefit credit	76.73
All claimants	96.64

5. More than 70% of the claimants were in manufacturing; textiles accounted for almost a fourth of the total, the shoe and leather industry for 14%, and the "needle trades" for 6%.

The results of this analysis have formed a basis for many of the estimates subsequently prepared by the research staff.

Introduction in Congress of H.R. 7762 ("The McCormack Bill"), in which drastic increases in benefits were proposed, raised questions as to the effect of such legislation on annual benefit disbursements in Massachusetts. On the basis of the foregoing study, it was estimated that the proposed increases might result in annual payments of 46 million dollars in Massachusetts.

Other estimates prepared concerned the future status of the Massachusetts Fund under various employment conditions, on the basis of the present experience rating provisions and benefit formulae. Several estimates related to the effect upon the Fund of certain proposed changes in eligibility requirements.

Beginning in July, 1940, the Division has participated increasingly from month to month in the National Defense Program. It has been the task of the Supervisor of Research to obtain each month from the local office areas throughout the State complete information as to labor supply and demand,

particularly in certain occupations regarded as essential to the defense program and to submit to Washington a "labor market analysis." Such reports are used by the Office of Production Management at Washington in planning defense production and allocation of contracts, and by other federal and state agencies interested in various phases of the defense program and employment in general.

An inventory of workers available in certain selected occupations has been submitted to Washington each month since August, 1940.

An intensive field visiting program for the purpose of obtaining information on estimated labor needs was initiated in September 1940. Since that time, establishments engaged in industrial activities related to the defense program have been visited periodically and the reports on their labor needs thus obtained have been forwarded to Washington.

It is anticipated that the Division's responsibilities in connection with the defense program will increase as the emergency continues.

In accordance with Section 47 of the Massachusetts Unemployment Compensation Law and Section 303(a) (6) of the Social Security Act, the Department of Research and Statistics has prepared and submitted periodically during the fiscal year the reports required by the Social Security Board.

Statistical reports of local office activities were prepared each week for circulation among the Division's employees and others interested.

Monthly bulletins covering activities of the entire Division, with comparisons and analyses, were also prepared and issued.

Tabulations, charts and actuarial computations with respect to the Unemployment Compensation Fund were prepared by the research staff for use of the Advisory Council and the Director.

The Director's annual report was also prepared by the Department of Research and Statistics, based upon statistical data regarding operations and upon reports submitted to the Director by the various department heads.

A complete inventory of the active employment file, taken in local offices on March 25, 1940, was tabulated and analyzed for general distribution.

Graphic charts, covering changes in the claim load and in placement activities, have been maintained in the Department.

Comparative tabulations covering all phases of the Division's activities are prepared on a weekly and monthly basis each week for use by the Director and the Advisory Council.

It has become more and more evident that the industrial classification of subject employers on the basis of the two-digit coding, which was established in 1937, is inadequate for many purposes. The Social Security Board will shortly require that all establishments covered by the Law be classified on the basis of a three-digit code and it appears that in many cases it will be desirable to have an even finer breakdown, as provided for in the four-digit coding manual supplied by the Board. Accordingly, the Department of Research and Statistics began, during the year under review, a complete reclassification of subject employers on a "four-digit" basis. This entailed the sending of a questionnaire to every employer for the purpose of obtaining detailed information as to the type of industrial activity and the nature of the product. It is expected that this reclassification will have been substantially completed by the end of 1941.

BOARD OF REVIEW

During the year under review, 3245 appeals from determinations of the Director were received by the Board of Review. The issues involved were summarized as follows:

Voluntary quit	1683
Labor disputes	355
Wage records	340
Odd jobs	241
Capability and availability	210
Employer status	128
Total unemployment	104
Independent contractor or employee	10
Miscellaneous	174
Total	<u>3245</u>

At the beginning of the year, 570 appeals were pending before the Board; at the end of the year 632 appeals were pending. Of the 3,183 appeals closed during the year, 2,892 were decided on the basis of a hearing and 291 were withdrawn.

Some of the appeals decided during the year were based upon hearings by the full Board, some upon hearings before a single member, and others upon hearings before a review examiner. Such hearings are summarized as follows:

Full Board	744
Single Board Member	870
Review Examiner	<u>1,278</u>
Total	<u>2,892</u>

During the year, 255 decisions originally made by a single member or a review examiner were appealed to the full Board with the following results:

Denied	211
Affirmed	27
Revised	14
Withdrawn	<u>3</u>
Total	<u>255</u>

NEED FOR NEW LOCATION

As indicated in the report for the previous fiscal year, the need for adequate space becomes increasingly acute from month to month. To a slight extent, the need has been met by the hiring of storage facilities on Pearl Street, but the major problem still remains.

At the end of the fiscal year, the matter of new quarters was still under discussion with ~~representatives~~ of the Social Security Board.

LIST OF RULES IN FORCE NOVEMBER 30, 1940

Rules of the Director

- Rule 1. Definition of "employment."
- Rule 2. Definition of "agricultural labor."
- Rule 3. Definition of "domestic service in a private home."
- Rule 4. Definition of "services performed as an officer or member of the crew of a vessel on the navigable waters of the United States."
- Rule 5. Family exceptions from the provisions of the Law.
- Rule 6. Exception of governmental employees.
- Rule 7. Definition of exempt organizations.
- Rule 8. Exclusion of directors' fees.
- Rule 9. Exclusion of independent contractors.
- Rule 10. Repeal of former Rule 10.
- Rule 11. Repeal of former Rule 11.
- Rule 12. Repeal of former Rule 12.
- Rule 13. Employers voluntarily subject to the Law.
- Rule 14. Exemption of short-time workers or casual workers.

- Rule 15. Interest on overdue contributions.
- Rule 16. Remuneration in the form of board and lodging.
- Rule 17. Repeal of former Rule 17.
- Rule 18. Instructions and interpretations.
- Rule 19. Deduction and transmission of employee contributions.
- Rule 20. Contributions due to liability under Title IX of the Social Security Act.
- Rule 21. Contributions - successor to subject employer.
- Rule 22. Employee contributions.
- Rule 23. Quarterly wage report not required for employee not subject to employee contributions.
- Rule 24. Repeal of prior rules.
- Rule 25. Effective date of revised rules.

Rules of the Board of Review

- Rule 1. The presentation of an application for review of a decision of the Director.
- Rule 2. Notification of hearing.
- Rule 3. Persons authorized to hold hearings and make decisions on a review of a decision of the Director.
- Rule 4. Disqualification of members of the Board of Review and review examiners.
- Rule 5. Hearings.
- Rule 6. Continuances and postponements.
- Rule 7. Withdrawal of applications for review.
- Rule 8. Witnesses and issuance of subpoenas.
- Rule 9. Representation at hearings.

- Rule 10. Supplying information from the records of the Division.
- Rule 11. Decisions.
- Rule 12. Applications for review of the decision of a single member or a review examiner.
- Rule 13. The presentation of an application for review of a decision of a single member or a review examiner.
- Rule 14. Hearings by the Board on a review of decisions of single members or review examiners.
- Rule 15. Hearings by the Board on its own motion to review decisions of single members or review examiners.
- Rule 16. Hearings by the Board of Review on cases ordered removed to it from a single member or review examiner.
- Rule 17. Inspection of decisions of the Board of Review, single members, and review examiners.